



Amendment No. 9  
to  
Contract No. NA130000001  
for  
Benefit Plan Administration Services  
between  
CompuSys/Erisa Group Inc.  
and the  
City of Austin

- 1.0 The City hereby amends the above-referenced contract with a six (6) month holdover for Flextra Health Care (FHC) and Flextra Dependent Care (FDC) Administration effective January 1, 2020 to June 30, 2020. The administrative rate is \$2.83 per enrolled participant.
- 2.0 The City hereby exercises an administrative increase for the subject contract by adding \$61,000.00 to the subject contract.
- 3.0 The total Contract authorization is recapped below:

Term	Action Amount	Total Contract Amount
Basic Term: 1/01/13 – 12/31/13	\$1,012,000.00	\$1,012,000.00
Amendment No. 1: Option 1 1/01/14 – 12/31/14	\$1,040,000.00	\$2,052,000.00
Amendment No. 2: Option 2 1/01/15 – 12/31/15	\$1,070,000.00	\$3,122,000.00
Amendment No. 3: Option 3 1/01/16 – 12/31/16	\$1,123,000.00	\$4,245,000.00
Amendment No. 4: Option 4 1/01/17 – 12/31/17	\$1,155,000.00	\$5,400,000.00
Amendment No. 5: Amend option 4 CompuSys/Erisa will provide Wellness eligibility file at no cost 1/01/17 – 12/31/17	\$0.00	\$5,400,000.00
Amendment No. 6: Option 5 Wellness eligibility file (1/01/2018 - 12/31/2018) for \$6,000.00 (1/01/2019 - 12/31/2019) for \$6,000.00	\$1,189,000.00	\$6,589,000.00
Amendment No. 7: Option 6 01/01/2019 – 12/31/2019	\$1,223,000.00	\$7,812,000.00
Amendment No. 8: 12-month Holdover 01/01/2020-12/31/2020 for Self-funded Dental Plan Claims Administration and Increase 07/09/2019	\$61,000.00	\$7,873,000.00
Amendment No. 9: 6-month Holdover 01/01/2020-6/30/2020 for FHC and FDC Administration and Increase 12/17/2019	\$7,873,000.00 + <u>\$61,000.00</u> \$7,934,000.00	\$7,934,000.00

4.0 MBE/WBE goals were not established for this contract.

5.0 By signing this Amendment, the Contractor certifies that the Contractor and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration (GSA) List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.

6.0 All other terms and conditions remain unchanged.

BY THE SIGNATURES affixed below, this Amendment is hereby incorporated into and made a part of the above-referenced contract.

CompuSys/Erisa Group Inc.

Sandra B Thomas  
Signature of Authorized Representative

SANDRA B THOMAS  
Printed Name of Authorized Representative

Date: 12/19/2019

CompuSys/Erisa Group Inc.  
13706 Research Blvd., Suite 308  
Austin, Texas 78750-1879

Email: stthomas@eserisa.com

City of Austin

Cyrenthia Ellis  
Signature of Authorized Representative

Cyrenthia Ellis  
Printed Name of Authorized Representative

Date: 12/23/2019

City of Austin – Procurement Office  
124 West 8<sup>th</sup> Street  
Austin, Texas 78701

Email: cyrenthia.ellis@austintexas.org



**Amendment No. 8  
to  
Contract No. NA130000001  
for  
Benefit Plan Administration Services  
between  
CompuSys/Erisa Group Inc.  
and the  
City of Austin**

- 1.0 The City hereby amends the above-referenced contract with a twelve (12) month holdover for Self-Funded Dental Plan Claims Administration effective January 1, 2020 to December 31, 2020. Adjustment for the per enrolled employee fee is \$2.85.
- 2.0 The City hereby exercises an administrative increase for the subject contract by adding \$61,000.00 to the subject contract.
- 3.0 The total Contract authorization is recapped below:

Term	Action Amount	Total Contract Amount
Basic Term: 1/01/13 – 12/31/13	\$1,012,000.00	\$1,012,000.00
Amendment No. 1: Option 1 1/01/14 – 12/31/14	\$1,040,000.00	\$2,052,000.00
Amendment No. 2: Option 2 1/01/15 – 12/31/15	\$1,070,000.00	\$3,122,000.00
Amendment No. 3: Option 3 1/01/16 – 12/31/16	\$1,123,000.00	\$4,245,000.00
Amendment No. 4: Option 4 1/01/17 – 12/31/17	\$1,155,000.00	\$5,400,000.00
Amendment No. 5: Amend option 4 CompuSys/Erisa will provide Wellness eligibility file at no cost 1/01/17 – 12/31/17	\$0.00	\$5,400,000.00
Amendment No. 6: Option 5 Wellness eligibility file (1/01/2018 - 12/31/2018) for \$6,000.00 (1/01/2019 - 12/31/2019) for \$6,000.00	\$1,189,000.00	\$6,589,000.00
Amendment No. 7: Option 6 01/01/2019 – 12/31/2019	\$1,223,000.00	\$7,812,000.00
Amendment No. 8: 12-month Holdover 01/01/2020-12/31/2020 and Administrative Increase 07/09/2019	\$61,000.00	\$7,873,000.00

- 4.0 MBE/WBE goals were not established for this contract.
- 5.0 By signing this Amendment, the Contractor certifies that the Contractor and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General

Services Administration (GSA) List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.

6.0 All other terms and conditions remain unchanged.

BY THE SIGNATURES affixed below, this Amendment is hereby incorporated into and made a part of the above-referenced contract.

CompuSys/Erisa Group Inc.

Sandra B. Thomas  
Signature of Authorized Representative

Sandra B Thomas, Vice President  
Printed Name of Authorized Representative

Date: July 10, 2019

CompuSys/Erisa Group Inc.  
13706 Research Blvd., Suite 308  
Austin, Texas 78750-1879

Email: sthomas@cserisa.com

City of Austin

Cyrenthia Ellis  
Signature of Authorized Representative

Cyrenthia Ellis, Procurement Manager  
Printed Name of Authorized Representative

Date: July 10, 2019

City of Austin – Procurement Office  
124 West 8<sup>th</sup> Street  
Austin, Texas 78701

Cyrenthia.Ellis@austintexas.gov





Amendment No. 7  
to  
Contract No. NA130000001  
for  
Benefit Plan Administration Services  
between  
CompuSys/Erisa Group Inc.  
and the  
City of Austin

1.0 The City hereby exercises the extension option for the above-referenced contract. Effective January 1, 2019 to December 31, 2019. No options will remain.

2.0 The total contract amount is increased by \$1,223,000.00 for the extension option period. The total Contract authorization is recapped below:

Term	Action Amount	Total Contract Amount
Basic Term: 1/01/13 – 12/31/13	\$1,012,000.00	\$1,012,000.00
Amendment No. 1: Option 1 1/01/14 – 12/31/14	\$1,040,000.00	\$2,052,000.00
Amendment No. 2: Option 2 1/01/15 – 12/31/15	\$1,070,000.00	\$3,122,000.00
Amendment No. 3: Option 3 1/01/16 – 12/31/16	\$1,123,000.00	\$4,245,000.00
Amendment No. 4: Option 4 1/01/17 – 12/31/17	\$1,155,000.00	\$5,400,000.00
Amendment No. 5: Amend option 4 CompuSys/Erisa will provide Wellness eligibility file at no cost 1/01/17 – 12/31/17	\$0.00	\$5,400,000.00
Amendment No. 6: Option 5 Wellness eligibility file (1/01/2018 - 12/31/2018) for \$6,000.00 (1/01/2019 - 12/31/2019) for \$6,000.00	\$1,189,000.00	\$6,589,000.00
Amendment No. 7: Option 6 01/01/2019 – 12/31/2019	\$1,223,000.00	\$7,812,000.00

3.0 MBE/WBE goals were not established for this contract.

4.0 By signing this Amendment the Contractor certifies that the Contractor and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration (GSA) List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.

5.0 All other terms and conditions remain unchanged.

BY THE SIGNATURES affixed below, this Amendment is hereby incorporated into and made a part of the above-referenced contract.

Signature & Date Sandra B Thomas 12/15/2018  
Sandra B. Thomas  
Authorized Representative

CompuSys/Erisa Group, Inc.  
13706 Research Blvd., Suite 308  
Austin, Texas 78750-1879

Signature & Date Cyrenthia Ellis 12/14/18  
Cyrenthia Ellis  
Procurement Manager

City of Austin – Procurement Office  
124 West 8<sup>th</sup> Street  
Austin, Texas 78701



Amendment No. 6  
to  
Contract No. NA130000001  
for  
Benefit Plan Administration Services  
between  
CompuSys/Erisa Group Inc.  
and the  
City of Austin

1.0 The City hereby exercises the extension option for the above-referenced contract. Effective January 1, 2018 to December 31, 2018. One option remain.

2.0 The total contract amount is increased by \$1,189,000.00 for the extension option period. The total Contract authorization is recapped below:

Term	Action Amount	Total Contract Amount
Basic Term: 1/01/13 – 12/31/13	\$1,012,000.00	\$1,012,000.00
Amendment No. 1: Option 1 1/01/14 – 12/31/14	\$1,040,000.00	\$2,052,000.00
Amendment No. 2: Option 2 1/01/15 – 12/31/15	\$1,070,000.00	\$3,122,000.00
Amendment No. 3: Option 3 1/01/16 – 12/31/16	\$1,123,000.00	\$4,245,000.00
Amendment No. 4: Option 4 1/01/17 – 12/31/17	\$1,155,000.00	\$5,400,000.00
Amendment No. 5: Amend option 4 CompuSys/Erisa will provide Wellness eligibility file at no cost 1/01/17 – 12/31/17	\$0.00	\$5,400,000.00
Amendment No. 6: Option 5 Wellness eligibility file (1/01/2018 - 12/31/2018) for \$6,000.00 (1/01/2019 - 12/31/2019) for \$6,000.00	\$1,189,000.00	\$6,589,000.00

3.0 The Wellness eligibility file will consist of the following:

- Send bi-weekly payroll file to Onsite Health Diagnostics
- The payroll file will consist of active employees. The Department number will be included as part of the data capture
- CompuSys/Erisa will use the alternate ID field for the SSN
- 834 full files will be sent bi-weekly on Tuesdays, beginning January 9, 2018
- Wellness eligibility file will cost \$6,000.00 for each plan year (1/01/2018 – 12/31/2018) & (1/01/2019 – 12/31/2019)

4.0 MBE/WBE goals were not established for this contract.

5.0 By signing this Amendment the Contractor certifies that the Contractor and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration (GSA) List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.

6.0 All other terms and conditions remain unchanged.

BY THE SIGNATURES affixed below, this Amendment is hereby incorporated into and made a part of the above-referenced contract.

Signature & Date:

Sandra B Thomas 12/24/17

Printed Name: SANDRA B THOMAS

Authorized Representative

Signature & Date:

Danielle Lord 12-7-17

Danielle Lord, Procurement Manager

City of Austin - Purchasing Office

CompuSys/Erisa Group Inc.  
13706 Research Blvd. Ste. 308  
Austin, Texas 78750-1879



Amendment No. 5  
to  
Contract No. NA130000001  
for  
Benefit Plan Administration Services  
between  
CompuSys/Erisa Group Inc.  
and the  
City of Austin

1.0 The City hereby amend the extension option No.4 for the above-referenced contract. Effective January 1, 2017 to December 31, 2017. Two options remain.

2.0 The total Contract authorization is recapped below:

Term	Action Amount	Total Contract Amount
Basic Term: 1/01/13 – 12/31/13	\$1,012,000.00	\$1,012,000.00
Amendment No. 1: Option 1 1/01/14 – 12/31/14	\$1,040,000.00	\$2,052,000.00
Amendment No. 2: Option 2 1/01/15 – 12/31/15	\$1,070,000.00	\$3,122,000.00
Amendment No. 3: Option 3 1/01/16 – 12/31/16	\$1,123,000.00	\$4,245,000.00
Amendment No. 4: Option 4 1/01/17 – 12/31/17	\$1,155,000.00	\$5,400,000.00
Amendment No. 5: Amend option 4 CompuSys/Erisa will provide Wellness eligibility file at no cost. 1/01/17 – 12/31/17	\$0.00	\$5,400,000.00

3.0 The Wellness eligibility file will consist of the following:

- Send bi-weekly payroll file to Onsite Health Diagnostics
- The payroll file will consist of active employees. The Department number will be included as part of the data capture
- CompuSys/Erisa will use the alternate ID field for the SSN
- 834 full files will be sent bi-weekly on Tuesdays, beginning January 10, 2017

4.0 MBE/WBE goals were not established for this contract.

5.0 By signing this Amendment the Contractor certifies that the Contractor and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration (GSA) List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.

6.0 All other terms and conditions remain the unchanged.

BY THE SIGNATURES affixed below, this Amendment is hereby incorporated into and made a part of the above-referenced contract.

Signature & Date:

*Audra B Thomas* 2/8/2017

Printed Name:

Authorized Representative

CompuSys/Erisa Group Inc  
13706 Research Blvd. Ste. 308  
Austin, Texas 78750-1879

Signature & Date:

*Danielle Lord* 2/9/17

Danielle Lord, Corporate Purchasing Manager  
City of Austin  
Purchasing Office





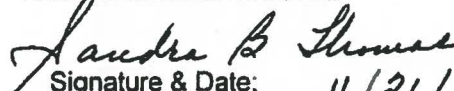
Amendment No. 4  
to  
Contract No. NA130000001  
for  
Benefit Plan Administration Services  
between  
CompuSys/Erisa Group Inc.  
and the  
City of Austin


- 1.0 The City hereby exercises this extension option for the subject contract. The extension option will be effective January 1, 2017 to December 31, 2017. Two options remain.
- 2.0 The total contract amount is increased by \$1,155,000.00 for the extension option period. The total Contract authorization is recapped below:

Term	Action Amount	Total Contract Amount
Basic Term: 1/01/13 – 12/31/13	\$1,012,000.00	\$1,012,000.00
Amendment No. 1: Option 1 1/01/14 – 12/31/14	\$1,040,000.00	\$2,052,000.00
Amendment No. 2: Option 2 1/01/15 – 12/31/15	\$1,070,000.00	\$3,122,000.00
Amendment No. 3: Option 3 1/01/16 – 12/31/16	\$1,123,000.00	\$4,245,000.00
Amendment No. 4: Option 4 1/01/17 – 12/31/17	\$1,155,000.00	\$5,400,000.00

- 3.0 MBE/WBE goals were not established for this contract.
- 4.0 By signing this Amendment the Contractor certifies that the Contractor and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration (GSA) List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.
- 5.0 All other terms and conditions remain the unchanged.

BY THE SIGNATURES affixed below, this Amendment is hereby incorporated into and made a part of the above-referenced contract.

  
Signature & Date: 11/21/2016  
Printed Name: SANDRA B THOMAS  
Authorized Representative

  
Signature & Date: 12/29/16  
Danielle Lord, Corporate Purchasing Manager  
City of Austin  
Purchasing Office

CompuSys/Erisa Group Inc.  
13706 Research Blvd. Ste.308  
Austin, Texas 78750-1879



Amendment No. 3  
to  
Contract No. NA130000001  
for  
Benefit Plan Administration Services  
between  
CompuSys/Erisa Group Inc.  
and the  
City of Austin

- 1.0 The City hereby exercises the extension option for the above-referenced contract. Effective January 1, 2016 term for the extension option will be January 1, 2016 to December 31, 2016 and there are three remaining options.
- 2.0 The total contract amount is increased by \$1,123,000.00 for the extension option period. The total Contract authorization is recapped below:

Term	Action Amount	Total Contract Amount
Basic Term: 1/01/13 – 12/31/13	\$1,012,000.00	\$1,012,000.00
Amendment No. 1: Option 1 1/01/14 – 12/31/14	\$1,040,000.00	\$2,052,000.00
Amendment No. 2: Option 2 1/01/15 – 12/31/15	\$1,070,000.00	\$3,122,000.00
Amendment No. 3: Option 3 1/01/16 – 12/31/16	\$1,123,000.00	\$4,245,000.00

- 3.0 MBE/WBE goals were not established for this contract.
- 4.0 By signing this Amendment the Contractor certifies that the Contractor and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration (GSA) List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.
- 5.0 All other terms and conditions remain the unchanged.

BY THE SIGNATURES affixed below, this Amendment is hereby incorporated into and made a part of the above-referenced contract.

Signature & Date: Sandra Thomas 12/2/2015  
Printed Name: SANDRA THOMAS  
Authorized Representative VICE PRESIDENT

Signature & Date: Micheal Benson 12/15/15  
Micheal Benson, Chief Administrative Officer  
City of Austin  
Purchasing Office

CompuSys/Erisa Group Inc.  
13706 Research Blvd. Ste.308  
Austin, Texas 78750-1879



Amendment No. 2  
to  
Contract No. NA130000001  
for  
Benefit Plan Administration Services  
between  
CompuSys/Erisa Group Inc.  
and the  
City of Austin

- 1.0 The City hereby exercises the extension option for the above-referenced contract. Effective January 1, 2015 term for the extension option will be January 1, 2015 to December 31, 2015 and there are four remaining options.
- 2.0 The total contract amount is increased by \$1,070,000.00 for the extension option period. The total Contract authorization is recapped below:

Term	Action Amount	Total Contract Amount
Basic Term: 1/01/13 – 12/31/13	\$1,012,000.00	\$1,012,000.00
Amendment No. 1: Option 1 1/01/14 – 12/31/14	\$1,040,000.00	\$2,052,000.00
Amendment No. 2: Option 2 1/01/15 – 12/31/15	\$1,070,000.00	\$3,122,000.00

- 3.0 MBE/WBE goals were not established for this contract.
- 4.0 By signing this Amendment the Contractor certifies that the Contractor and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration (GSA) List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.
- 5.0 All other terms and conditions remain the unchanged.

BY THE SIGNATURES affixed below, this Amendment is hereby incorporated into and made a part of the above-referenced contract.

Signature & Date:

*Sandra Thomas 10/22/2014*  
Printed Name: SANDRA THOMAS  
Authorized Representative  
VICE PRESIDENT  
CompuSys/Erisa Group Inc.  
13706 Research Blvd. Ste.308  
Austin, Texas 78750-1879

Signature & Date:

*Micheal Benson 12/12/14*  
Micheal Benson, Chief Administrative Officer  
City of Austin  
Purchasing Office



Amendment No. 1  
to  
Contract No. NA130000001  
for  
Benefit Plan Administration Services  
between  
CompuSys/Erisa Group Inc.  
and the  
City of Austin

- 1.0 The City hereby exercises the extension option for the above-referenced contract. Effective January 1, 2014 term for the extension option will be January 1, 2014 to December 31, 2014 and there are five remaining options.
- 2.0 The total contract amount is increased by \$1,040,000.00 for the extension option period. The total Contract authorization is recapped below:

Term	Action Amount	Total Contract Amount
Basic Term: 1/01/13 – 12/31/13	\$1,012,000.00	\$1,012,000.00
Amendment No. 1: Option 1 1/01/14 – 12/31/14	\$1,040,000.00	\$2,052,000.00

- 3.0 MBE/WBE goals were not established for this contract.
- 4.0 The above referenced contract is hereby amended pursuant to Paragraph 1.6, Clarifications and Additional Agreements, of the contract to add the following:
- 1.7 Wellness Financial Incentive Plan Claims Administration
- 1.7.1 The Contractor must maintain eligibility and claims records/history for Wellness Program participants.
- 1.7.2 The Contractor must track usage of funds, rollover of unused funds and cumulative balances, and have reporting capabilities on the Wellness Incentive program codes.
- 1.7.3 The Contractor will process one claim per year for eligible program participants using same City plan documents and federal law and regulations criteria required for processing FLEXTRA Health Care account claims.
- 5.0 1.7.4 The Contractor must provide customer service to Wellness Program participants who have questions about claims, eligible expenses, account balances, and other related services.
- 6.0 The service fee rate shown in the Exhibit A of the contract for services provided for Year 2014 shall be as follows:

Service	2014 Unit Price
Eligibility Database Maintenance	\$834/month

7.0 By signing this Amendment the Contractor certifies that the Contractor and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration (GSA) List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.

8.0 All other terms and conditions remain the unchanged.

BY THE SIGNATURES affixed below, this Amendment is hereby incorporated into and made a part of the above-referenced contract.

Signature & Date: Sandra Thomas 11/20/13

Printed Name: SANDRA THOMAS

Authorized Representative

VICE PRESIDENT

CompuSys/Erisa Group Inc.

13706 Research Blvd. Ste.308

Austin, Texas 78750-1879

Signature & Date: Debbie DePaul

Debbie DePaul, Contract Compliance Supervisor

City of Austin

Purchasing Office

Deputy Purchasing Officer





# City of Austin

*Financial and Administrative Services Department*  
*Purchasing Office*

P. O. Box 1088, Austin, TX 78767

(512) 974-2500

9/27/2012

CompuSys/Erisa Group  
13706 Research Blvd, STE 308  
Austin, TX 78750

Re: Solicitation No. RFP – JSD0124

The Purchasing Office has approved the execution of a contract with your company for the above-referenced item as follows:

Responsible Department:	Human Resources
Department Contact Person:	Gail Ray
Department Contact Email Address:	<a href="mailto:Gail.ray@austintexas.gov">Gail.ray@austintexas.gov</a>
Department Contact Telephone:	(512) 974-3409
Project Name:	Benefit Plan Administration Services
Contractor Name:	CompuSys/Erisa Group Inc.
Contract Number:	MA-5800-NA130000001
Contract Period:	1/1/2013 – 12/31/2013
Dollar Amount	NTE \$1,012,000
Extension Options:	6-12 month
Requisition Number:	RQM 5800 12040400294
Solicitation Number:	RFP JSD0124
Agenda Item Number:	70
Council Approval Date:	9/27/2012

Thank you for your interest in doing business with the City of Austin. If you have any questions regarding this contract, please contact me at (512) 974-2021

Sincerely,

Jeff Dilbert, CPSM, CPSD, C.P.M., A.P.P.  
Corporate Purchasing Manager  
Purchasing Office  
Finance and Administrative Services Department  
Enclosure

**CONTRACT BETWEEN THE CITY OF AUSTIN ("City")  
and  
CompuSys/Erisa Group, Inc. ("Contractor")  
for  
Benefit Plan Administration Services**

The City accepts the Contractor's Offer (as referenced in Section 1.1.3 below) for the above requirement which will include a) Eligibility Administration; b) COBRA, Continuation of Coverage for Domestic Partners and Self-Pay Administration; c) Self-Funded Dental Plan Claims Administration; and d) Flexible Benefits Claims Administration and enters into the following Contract.

This Contract is between CompuSys/Erisa Group, Inc. having offices at 13706 Research Blvd., Suite 308, Austin, TX 78750 and the City, a home-rule municipality incorporated by the State of Texas, and is effective as of 12:01 A.M., January 1, 2013 ("Effective Date").

Capitalized terms used but not defined herein have the meanings given them in Solicitation Number JSD0124.

**1.1 This Contract is composed of the following documents:**

- 1.1.1 This Contract
- 1.1.2 The City's Solicitation, Request for Proposal, JSD0124 including all documents incorporated by reference
- 1.1.3 Contractor's Offer, dated May 28, 2012, including subsequent clarifications

**1.2 Order of Precedence.** Any inconsistency or conflict in the Contract documents shall be resolved by giving precedence in the following order:

- 1.2.1 This Contract
- 1.2.2 The City's Solicitation as referenced in Section 1.1.2, including all documents incorporated by reference
- 1.2.3 The Contractor's Offer as referenced in Section 1.1.3, including subsequent clarifications.

**1.3 Term of Contract.** The Contract will be in effect for an initial term of twelve (12) months and may be extended thereafter for up to six (6) twelve (12) month extension option(s), subject to the approval of the Contractor and the City Purchasing Officer or his designee. See the Term of Contract provision in Section 0400 for additional Contract requirements.

**1.4 Compensation.** The Contractor shall be paid a total Not-to-Exceed amount of \$1,012,000 for the initial Contract term and \$1,040,000 for the first extension option, \$1,070,000 for the second extension option, \$1,123,000 for the third extension option, \$1,155,000 for the fourth extension option, \$1,189,000 for the fifth extension option, and \$1,223,000 for the sixth extension option, for a total estimated Contract amount not to exceed \$7,812,000.

**1.5 Quantity of Work.** There is no guaranteed number of participants in the Benefit Plan at any given time.

**1.6 Clarifications and Additional Agreements.** The following are incorporated into the Contract.

- 1.6.1 Contractor's Cost Sheet submitted as part of their Offer, is hereby replaced with Exhibit A, attached hereto.

This Contract (including any Exhibits) constitutes the entire agreement of the parties regarding the subject matter of this Contract and supersedes all prior and contemporaneous agreements and understandings, whether written or oral, relating to such subject matter. This Contract may be altered, amended, or modified only by a written instrument signed by the duly authorized representatives of both parties.

In witness whereof, the City has caused a duly authorized representative to execute this Contract on the date set forth below.

CompuSys/Erisa Group, Inc.

City of Austin

Sandra B. Thomas

Printed Name of Authorized Person

*Sandra B. Thomas*

Signature

Vice President

Title:

*September 7, 2012*

Date:

JEFF DILBERT

Printed Name of Authorized Person

*Jeff Dilbert*

Signature

*CORP. Purchasing Mgr*

Title:

*9-27-12*

Date:

**Exhibit A**  
**BAFO Cost Sheet #3**  
**Monthly Fees in Dollars**

Requested Service	Description	2013	2014	2015	2016	2017	2018	2019
<b><u>Eligibility Administration</u></b>								
Employee Eligibility	Per Enrolled Employee	2.07	2.07	2.07	2.11	2.11	2.11	2.11
Retiree Eligibility	Per Enrolled Retiree	2.25	2.25	2.25	2.30	2.30	2.30	2.30
<b><u>COBRA, Continuation of Coverage for Domestic Partners (CCDP), and Self-Pay Administration</u></b>								
COBRA and CCDP Administration	Per Enrolled Participant	6.36	6.36	6.36	6.49	6.49	6.49	6.49
COBRA and CCDP Qualifying Event Letter	Per letter	7.80	7.80	7.80	7.96	7.96	7.96	7.96
Self Pay Administration	Per Enrolled Participant	2.25	2.25	2.25	2.30	2.30	2.30	2.30
<b><u>Self-Funded Dental Plan Claims Administration</u></b>								
Dental Claims Administration	Per Enrolled Employee	2.94	2.94	2.94	3.00	3.00	3.00	3.00
<b><u>Flexible Benefits Claims Administration</u></b>								
FLEXTRA Health Care Claims Administration	Per Enrolled Employee	2.75	2.75	2.75	2.83	2.83	2.83	2.83
FLEXTRA Health Care Debit/Credit Card	Per Enrolled Employee	1.00	1.00	1.00	1.00	1.00	1.00	1.00
FLEXTRA Dependent Care Claims Administration	Per Enrolled Employee	2.75	2.75	2.75	2.83	2.83	2.83	2.83
Childcare Assistance Program Claims Administration	Per Enrolled Employee	3.00	3.00	3.00	3.02	3.02	3.02	3.02

RFP No. JSD0124

Volume1

Submitted by: COMPUSYS/ERISA GROUP, INC.

Due Date: MAY 30, 2012

**ORIGINAL RESPONSE DOCUMENT**



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### **Tab 2 – City of Austin Purchasing Documents**

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- Section 0630 Commercial and Legal Contracts
- Section 0640 HIPAA Business Associate Agreement
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- Section 0800 Equal Employment/Fair Housing Office Non-Discrimination Certificate
- Section 0805 Non-Suspension or Debarment Certification
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### **Tab 3 – General Requirements for All Requested Services**

- Part A: Completed Cost Sheet
- Part B: Restatement and confirmation of acceptance of each requirement in Paragraphs 3.1 through 3.11 of Section 0500
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### **Tab 4 – Eligibility Administration**

- Part A: Restatement and confirmation of acceptance of each requirement in Paragraph 4 of Section 0500
- Part B: Completion and Submission of:
- Attachment 2 Business Organization Questionnaire
  - Attachment 3 Customer Service Questionnaire
  - Attachment 4 Account Team Information
  - Attachment 5 System Capabilities Questionnaire
  - Attachment 8 Performance Measures – Eligibility Administration

### **Tab 5 – COBRA, Continuation of Coverage for Domestic Partners & Self Pay Administration**

- Part A: Restatement and confirmation of acceptance of each requirement in Paragraph 5 of Section 0500
- Part B: Completion and Submission of:
- Attachment 2 Business Organization Questionnaire
  - Attachment 3 Customer Service Questionnaire
  - Attachment 4 Account Team Information

- Attachment 5 System Capabilities Questionnaire
- Attachment 9 Performance Measures – COBRA, Continuation of Coverage For Domestic Partners, and Self-Pay Administration

### **Tab 6 – Self-Funded Dental Plan Claims Administration**

Part A: Restatement and confirmation of acceptance of each requirement in Paragraph 6 of Section 0500

Part B: Completion and Submission of:

- Attachment 2 Business Organization Questionnaire
- Attachment 3 Customer Service Questionnaire
- Attachment 4 Account Team Information
- Attachment 5 System Capabilities Questionnaire
- Attachment 6 Dental Claims Administration Questionnaire
- Attachment 10 Performance Measures – Self Funded Dental Plan Claims Administration

Part C: Sample copies of management reports

Part D: Copy of most recent SSAE-16 report

### **Tab 7 – Flexible Benefits Claims Administration**

Part A: Restatement and confirmation of acceptance of each requirement in Paragraph 7.0 of Section 0500

Part B: Completion and Submission of

- Attachment 2 Business Organization Questionnaire
- Attachment 3 Customer Service Questionnaire
- Attachment 4 Account Team Information
- Attachment 5 System Capabilities Questionnaire
- Attachment 7 Flexible Benefits Claims Administration Questionnaire
- Attachment 11 Performance Measures – Flexible Benefits Administration

### **Tab 8 – Exceptions to the Proposal**

CompuSys/Erisa Group, Inc.  
13706 Research Blvd., Suite 308 • Austin, Texas 78750  
(512) 250-9397 • (800) 933-7472 • Fax (512) 250-9487

### **Executive Summary**

CompuSys/Erisa Group, Inc. is a member of the CompuSys/Erisa Group of Companies. The first member company was founded in 1968 by Dr. C.S. Hwa and is currently owned by W. Joel France. CompuSys/Erisa Group, Inc. is an independently owned professional organization accredited and licensed as a Texas Third Party Administrator of employee benefit programs. Since the establishment of the company in 1968, we have a proven history of providing our partners with innovative, responsive, and professionally managed benefit administration solutions. The scope of our expertise includes:

- Eligibility Administration
- COBRA, Continuation of Coverage for Domestic Partners, and Self-Pay Administration
- Self-funded Dental Plan Claims Administration
- Flexible Benefits Claims Administration
  - Health & Dependent Care
  - HSAs
  - HRAs
- Taft-Hartley Multi-Employer Plans
- 401(k) Record Keeping
- Supplemental Voluntary Insurance Premium Administration

One of the distinguishing characteristics separating CompuSys/Erisa Group, Inc. from other administrators is our use of programs specifically designed, created, and maintained by our internal team of programmer and IT support personnel. The combination of our dedicated team of technical specialists, with access to our programming source code, provides CompuSys with the ability to provide the City of Austin with responsive, FSA, COBRA, Eligibility, and Dental claims administration solutions genuinely tailored to its specific needs and requirements.

All proposed services for RFP JSD0124 will be performed in the Austin, TX office.

Our service philosophy is that at every level of service delivery, our sole role is to serve the City of Austin's Plan participants and Benefits staff. This commitment focuses on:

- Personalized service at all levels of administration
- Provision of premium cost savings based on efficiency of our benefits system
- Provision of flexible service delivery technology customized to the City's needs. A by-product of this functionality allows us to generate ad hoc reports on short notice
- Knowledgeable and experienced benefits personnel, who have proven track records of responding to the City's inquiries and issues, courteously, timely, and accurately
- Provision of precise and accurate reporting customized to the City's specifications
- Provision of skilled upper-management level liaison support for effective and timely problem resolution.

### **The Positive Aspects of Being the Incumbent**

As the current administrator of the scope of work indicated in RFP JSD0124, we present the following for your review:

#### Continuity of Service

- All teams are currently in place for the administration of all aspects of RFP JSD0124 – no implementation transition is necessary
- CEBAS & Powerhouse systems effective delivery platforms for all aspects of RFP JSD0124
- Established protocols/procedures currently in place for a productive working rapport with COA employees, benefits staff, COA carriers (UHC, Assurant, Delta Dental, Superior Vision, and TLPP), Towers Watson (COA's Benefits consultant), and dental providers providing service for the Dental Assistance Plan.

#### Administrative Systems in place/no transition necessary for

- The Dental Assistance Plan
- Eligibility Administration
- COBRA, Continuation of Coverage for Domestic Partners, and Self-Pay Administration
- Flexible Benefits Claims Administration
- DCAA

#### Excellent Service Delivery

- Independent and internal audits confirm CompuSys' performance as being above industry standards, as well as exceeding the expectations of the City's performance guarantees

#### Commitment to ongoing improvement

We believe our service to be solid but believe there is always room to improve. Based on this premise, the following services are either currently being provided and/ or are in place and ready to be added to the services that we currently provide the City for the 2013 Plan Year beginning January 1, 2013:

- Scope of work in RFP JSD0124 currently supported by practices and protocols in place for Contract S060492, which mirrors JSD0124.
- All websites are designed to the City's specifications – currently the comprehensive Open Enrollment website, with supporting utilization and confirmation of benefits documentation. Ongoing in 2013, there will be a site supporting ongoing participant enrollment, an improved real-time updated dental claim system, and a FLEXTRA website. Mid-2013, we will present the City with a new test site for COBRA administration.
- Continued flexibility with designing and implementing 834 file formats specific to the individual needs of the City's carriers (i.e. UHC, Superior Vision, Assurant, Delta Dental, and TLPP).

#### Looking to the Future

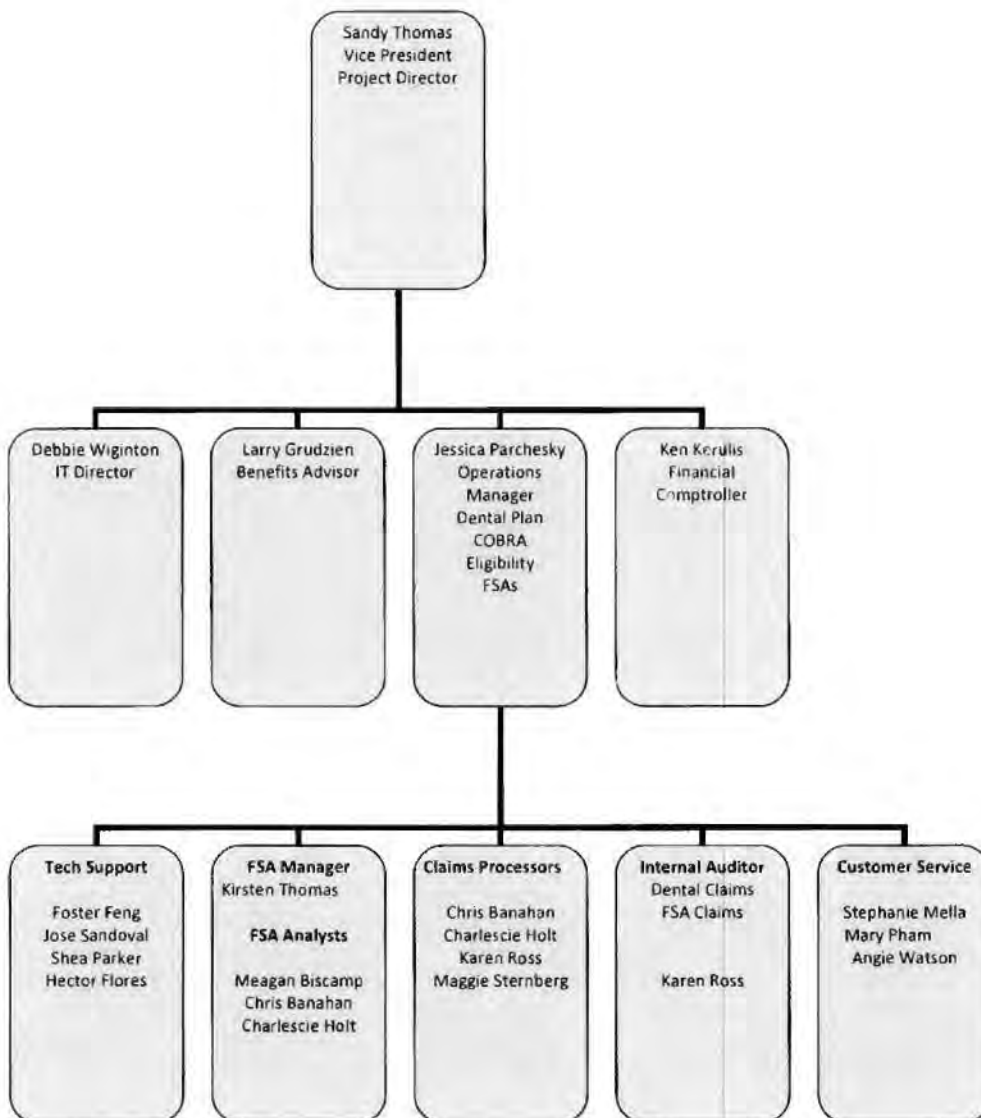
We currently provide other clients with HRA and HSA administration and are on board for offering the same service to the City of Austin based on their choice. The structure we have in place is easily convertible to the City of Austin and would require minimal change. Any participant currently holding an active debit card would not require a new card.

We consider our relationship with the City extremely important. We have the team, the system capability, and proven track record to continue providing excellent service to the City of Austin. We appreciate the opportunity to offer our administrative services.

The authorized CompuSys/Erisa Group, Inc. contact person is:

Sandy Thomas  
Vice President  
13706 Research Blvd. Suite 308  
Austin, TX 78750  
Phone: (512) 250-9397 EXT- 3016  
Fax: (512) 250-9487  
[sthomas@cserisa.com](mailto:sthomas@cserisa.com)

## CompuSys/Erisa Group, Inc.





# CITY OF AUSTIN, TEXAS

## Purchasing Office REQUEST FOR PROPOSAL (RFP) Offer Sheet

SOLICITATION NO: JSD0124

COMMODITY/SERVICE DESCRIPTION: Benefit Plan Administration

DATE ISSUED: 4/23/2012

REQUISITION NO. RQM580012040400294

PRE-PROPOSAL CONFERENCE TIME AND DATE: 5/2/2012 at 2:00p.m.

COMMODITY CODE 95348

LOCATION: One Texas Center: 505 Barton Springs Road- 6th floor- HR Main Conference Room

FOR CONTRACTUAL AND TECHNICAL  
ISSUES CONTACT:

PROPOSAL DUE PRIOR TO: 2:00p.m. on 5/30/2012

Jeff Dilbert  
Corporate Purchasing Manager  
Phone: (512) 974-2021

COMPLIANCE PLAN DUE PRIOR TO: N/A

PROPOSAL CLOSING TIME AND DATE: 2:00p.m. on 5/30/2012

LOCATION: MUNICIPAL BUILDING, 124 W 8th STREET  
RM 310, AUSTIN, TEXAS 78701

When submitting a sealed Offer and/or Compliance Plan, use the proper street address for the type of services desired, as shown below

P.O. Address for US Mail	Street Address for Hand Delivery or Courier Service
City of Austin	City of Austin, Purchasing Office
Purchasing Office	Municipal Building
P.O. Box 1088	124 W 8th Street
Austin, Texas 78767-8845	Austin, Texas 78701
	Reception Phone: (512) 974-2500

Offers (including Compliance Plans) that are not submitted in a sealed envelope or container Will not be considered.

SUBMIT ONE (1) ORIGINAL, SEVEN (7) SIGNED COPIES AND ONE (1) ELECTRONIC VERSION OF  
PROPOSAL

OFFER SUBMITTED BY

  
Signature of Person Authorized to Sign Offer

Sandra B. Thomas, Vice President

Signer's Name and Title: (please print or type)

FEDERAL TAX ID NO. [REDACTED]

Date: May 28, 2012

Company Name: CompuSys/Erisa Group, Inc.

Address: 13706 Research Blvd. Suite 308

City, State, Zip Code: Austin, TX 78750

Phone No. (512) 250-9397

Fax No. (512) 250-9487

Email Address: sthomas@cserisa.com

**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Section 0630 Commercial and Legal Contract Terms**

The terms listed herein are non-negotiable contract terms required by the City of Austin. The Successful Contractor will be required to sign an Agreement with the following Agreement terms. An officer of the contractor's company must review, comment, and sign this document. Place the completed and signed documents in Tab 3 of your proposal. Failure to agree to these standard Agreement terms may result in proposal being non-responsive.

1. **CONTRACTOR'S OBLIGATIONS.** The Contractor shall fully and timely provide all deliverables described in the Solicitation and in the Contractor's Offer in strict accordance with the terms, covenants, and conditions of the Contract and all applicable Federal, State, and local laws, rules, and regulations.

☒ Accepted as written ☐ Not Accepted as written. See comments below

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2. **TITLE & RISK OF LOSS.** If applicable, title to and risk of loss of the deliverables shall pass to the City only when the City actually receives and accepts the deliverables.

☒ Accepted as written ☐ Not Accepted as written. See comments below

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3. **PLACE AND CONDITION OF WORK.** The City shall provide the Contractor access to the sites where the Contractor is to perform the services as required in order for the Contractor to perform the services in a timely and efficient manner, in accordance with and subject to the applicable security laws, rules, and regulations. The Contractor acknowledges that it has satisfied itself as to the nature of the City's service requirements and specifications, the location and essential characteristics of the work sites, the quality and quantity of materials, equipment, labor and facilities necessary to perform the services, and any other condition or state of fact which could in any way affect performance of the Contractor's obligations under the Contract. The Contractor hereby releases and holds the City harmless from and against any liability or claim for damages of any kind or nature if the actual site or service conditions differ from expected conditions.

☒ Accepted as written ☐ Not Accepted as written. See comments below

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4. **WORKFORCE.**

- A. The Contractor shall employ only orderly and competent workers, skilled in the performance of the services which they will perform under the Contract.
- B. The Contractor, its employees, subcontractors, and subcontractor's employees may not while engaged in participating or responding to a solicitation or while in the course and scope of delivering goods or services under a City of Austin contract or on the City's property:
- i. use or possess a firearm, including a concealed handgun that is licensed under state law, except as required by the terms of the contract; or

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**BENEFIT PLANS ADMINISTRATION**  
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- ii. use or possess alcoholic or other intoxicating beverages, illegal drugs or controlled substances, nor may such workers be intoxicated, or under the influence of alcohol or drugs, on the job.
- C. If the City or the City's representative notifies the Contractor that any worker is incompetent, disorderly or disobedient, has knowingly or repeatedly violated safety regulations, has possessed any firearms, or has possessed or was under the influence of alcohol or drugs on the job, the Contractor shall immediately remove such worker from Contract services, and may not employ such worker again on Contract services without the City's prior written consent.

☒ Accepted as written

☐ Not Accepted as written. See comments below

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5. **COMPLIANCE WITH HEALTH, SAFETY, AND ENVIRONMENTAL REGULATIONS.** The Contractor, its Subcontractors, and their respective employees, shall comply fully with all applicable federal, state, and local health, safety, and environmental laws, ordinances, rules and regulations in the performance of the services, including but not limited to those promulgated by the City and by the Occupational Safety and Health Administration (OSHA). In case of conflict, the most stringent safety requirement shall govern. The Contractor shall indemnify and hold the City harmless from and against all claims, demands, suits, actions, judgments, fines, penalties and liability of every kind arising from the breach of the Contractor's obligations under this paragraph.

☒ Accepted as written

☐ Not Accepted as written. See comments below

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6. **INVOICES.**

- A. The Contractor shall submit separate invoices in duplicate on each purchase order or purchase release after each delivery. If partial shipments or deliveries are authorized by the City, a separate invoice must be sent for each shipment or delivery made.
- B. **Proper Invoices must include a unique invoice number, the purchase order or delivery order number and the master agreement number if applicable, the Department's Name, and the name of the point of contact for the Department.** Invoices shall be itemized and transportation charges, if any, shall be listed separately. A copy of the bill of lading and the freight waybill, when applicable, shall be attached to the invoice. The Contractor's name and, if applicable, the tax identification number on the invoice must exactly match the information in the Vendor's registration with the City. Unless otherwise instructed in writing, the City may rely on the remittance address specified on the Contractor's invoice.
- C. Invoices for labor shall include a copy of all time-sheets with trade labor rate and deliverables order number clearly identified. Invoices shall also include a tabulation of work-hours at the appropriate rates and grouped by work order number. Time billed for labor shall be limited to hours actually worked at the work site.
- D. Unless otherwise expressly authorized in the Contract, the Contractor shall pass through all Subcontract and other authorized expenses at actual cost without markup.
- E. Federal excise taxes, State taxes, or City sales taxes must not be included in the invoiced amount. The City will furnish a tax exemption certificate upon request.

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**Section 0630 Commercial and Legal Contract Terms**

☒ Accepted as written

☐ Not Accepted as written. See comments below

**7. PAYMENT.**

- A. All proper invoices received by the City will be paid within thirty (30) calendar days of the City's receipt of the deliverables or of the invoice, whichever is later.
- B. If payment is not timely made, (per paragraph A), interest shall accrue on the unpaid balance at the lesser of the rate specified in Texas Government Code Section 2251.025 or the maximum lawful rate; except, if payment is not timely made for a reason for which the City may withhold payment hereunder, interest shall not accrue until ten (10) calendar days after the grounds for withholding payment have been resolved.
- C. If partial shipments or deliveries are authorized by the City, the Contractor will be paid for the partial shipment or delivery, as stated above, provided that the invoice matches the shipment or delivery.
- D. The City may withhold or set off the entire payment or part of any payment otherwise due the Contractor to such extent as may be necessary on account of:
  - i. delivery of defective or non-conforming deliverables by the Contractor;
  - ii. third party claims, which are not covered by the insurance which the Contractor is required to provide, are filed or reasonable evidence is provided indicating probable filing of such claims;
  - iii. failure of the Contractor to pay Subcontractors, or for labor, materials or equipment;
  - iv. damage to the property of the City or the City's agents, employees or contractors, which is not covered by insurance required to be provided by the Contractor;
- E. reasonable evidence that the Contractor's obligations will not be completed within the time specified in the Contract, and that the unpaid balance would not be adequate to cover actual or liquidated damages for the anticipated delay;
  - vi. failure of the Contractor to submit proper invoices with all required attachments and supporting documentation, or
  - vii. failure of the Contractor to comply with any material provision of the Contract Documents.
- F. Notice is hereby given of Article VIII, Section 1 of the Austin City Charter which prohibits the payment of any money to any person, firm or corporation who is in arrears to the City for taxes, and of §2-8-3 of the Austin City Code concerning the right of the City to offset indebtedness owed the City.
- G. Payment will be made by check unless the parties mutually agree to payment by credit card or electronic transfer of funds. The Contractor agrees that there shall be no additional charges, surcharges, or penalties to the City for payments made by credit card or electronic funds transfer.
- H. The awarding or continuation of this Contract is dependent upon the availability of funding. The City's payment obligations are payable only and solely from funds Appropriated and available for this Contract. The absence of Appropriated or other lawfully available funds shall render the Contract null and void to the extent funds are not Appropriated or available and any deliverables delivered but unpaid shall be returned to the Contractor. The City shall provide the Contractor written notice of the failure of the City to make an adequate Appropriation for any fiscal year to pay the amounts due under the Contract, or the reduction of any Appropriation to an amount



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insufficient to permit the City to pay its obligations under the Contract. In the event of non or inadequate appropriation of funds, there will be no penalty nor removal fees charged to the City.

☒ Accepted as written

☐ Not Accepted as written. See comments below

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**8. FINAL PAYMENT AND CLOSE-OUT.**

The making and acceptance of final payment will constitute:

- i. a waiver of all claims by the City against the Contractor, except claims (1) which have been previously asserted in writing and not yet settled, (2) arising from defective work appearing after final inspection, (3) arising from failure of the Contractor to comply with the Contract or the terms of any warranty specified herein, (4) arising from the Contractor's continuing obligations under the Contract, including but not limited to indemnity and warranty obligations, or (5) arising under the City's right to audit; and
- ii. a waiver of all claims by the Contractor against the City other than those previously asserted in writing and not yet settled.

☒ Accepted as written

☐ Not Accepted as written. See comments below

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**9. RIGHT TO AUDIT.**

- A. The Contractor agrees that the representatives of the Office of the City Auditor or other authorized representatives of the City shall have access to, and the right to audit, examine, or reproduce, any and all records of the Contractor related to the performance under this Contract. The Contractor shall retain all such records for a period of three (3) years after final payment on this Contract or until all audit and litigation matters that the City has brought to the attention of the Contractor are resolved, whichever is longer. The Contractor agrees to refund to the City any overpayments disclosed by any such audit.
- B. The Contractor shall include section a. above in all subcontractor agreements entered into in connection with this Contract.

☒ Accepted as written

☐ Not Accepted as written. See comments below

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**10. SUBCONTRACTORS.**

- A. If the Contractor identified Subcontractors in an MBE/WBE Program Compliance Plan or a No Goals Utilization Plan, the Contractor shall comply with the provisions of Chapters 2-9A, 2-9B, 2-9C, and 2-9D, as applicable, of the Austin City Code and the terms of the Compliance Plan as approved by the City (the "Plan"). The Contractor shall not initially employ any Subcontractor

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except as provided in the Contractor's Plan. The Contractor shall not substitute any Subcontractor identified in the Plan, unless the substitute has been accepted by the City in writing in accordance with the provisions of Chapters 2-9A, 2-9B, 2-9C and 2-9D, as applicable. No acceptance by the City of any Subcontractor shall constitute a waiver of any rights or remedies of the City with respect to defective deliverables provided by a Subcontractor. If a Plan has been approved, the Contractor is additionally required to submit a monthly Subcontract Awards and Expenditures Report to the Contract Manager and the Purchasing Office Contract Compliance Manager no later than the tenth calendar day of each month.

- B. Work performed for the Contractor by a Subcontractor shall be pursuant to a written contract between the Contractor and Subcontractor. The terms of the subcontract may not conflict with the terms of the Contract, and shall contain provisions that:
- i. require that all deliverables to be provided by the Subcontractor be provided in strict accordance with the provisions, specifications and terms of the Contract;
  - ii. prohibit the Subcontractor from further subcontracting any portion of the Contract without the prior written consent of the City and the Contractor. The City may require, as a condition to such further subcontracting, that the Subcontractor post a payment bond in form, substance and amount acceptable to the City;
  - iii. require Subcontractors to submit all invoices and applications for payments, including any claims for additional payments, damages or otherwise, to the Contractor in sufficient time to enable the Contractor to include same with its invoice or application for payment to the City in accordance with the terms of the Contract;
  - iv. require that all Subcontractors obtain and maintain, throughout the term of their contract, insurance in the type and amounts specified for the Contractor, with the City being a named insured as its interest shall appear; and
  - v. require that the Subcontractor indemnify and hold the City harmless to the same extent as the Contractor is required to indemnify the City.
- C. The Contractor shall be fully responsible to the City for all acts and omissions of the Subcontractors just as the Contractor is responsible for the Contractor's own acts and omissions. Nothing in the Contract shall create for the benefit of any such Subcontractor any contractual relationship between the City and any such Subcontractor, nor shall it create any obligation on the part of the City to pay or to see to the payment of any moneys due any such Subcontractor except as may otherwise be required by law.
- D. The Contractor shall pay each Subcontractor its appropriate share of payments made to the Contractor not later than ten (10) calendar days after receipt of payment from the City.

☒ Accepted as written

☐ Not Accepted as written. See comments below

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**11. WARRANTY-PRICE.**

- A. The Contractor warrants the prices quoted in the Offer are no higher than the Contractor's current prices on orders by others for like deliverables under similar terms of purchase.
- B. The Contractor certifies that the prices in the Offer have been arrived at independently without consultation, communication, or agreement for the purpose of restricting competition, as to any matter relating to such fees with any other firm or with any competitor.

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- C. In addition to any other remedy available, the City may deduct from any amounts owed to the Contractor, or otherwise recover, any amounts paid for items in excess of the Contractor's current prices on orders by others for like deliverables under similar terms of purchase.

☒ Accepted as written

☐ Not Accepted as written. See comments below

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12. **WARRANTY – SERVICES.** The Contractor warrants and represents that all services to be provided the City under the Contract will be fully and timely performed in a good and workmanlike manner in accordance with generally accepted industry standards and practices, the terms, conditions, and covenants of the Contract, and all applicable Federal, State and local laws, rules or regulations.

A. The Contractor may not limit, exclude or disclaim the foregoing warranty or any warranty implied by law, and any attempt to do so shall be without force or effect.

B. Unless otherwise specified in the Contract, the warranty period shall be at least one year from the Acceptance Date. If during the warranty period, one or more of the above warranties are breached, the Contractor shall promptly upon receipt of demand perform the services again in accordance with above standard at no additional cost to the City. All costs incidental to such additional performance shall be borne by the Contractor. The City shall endeavor to give the Contractor written notice of the breach of warranty within thirty (30) calendar days of discovery of the breach warranty, but failure to give timely notice shall not impair the City's rights under this section.

C. If the Contractor is unable or unwilling to perform its services in accordance with the above standard as required by the City, then in addition to any other available remedy, the City may reduce the amount of services it may be required to purchase under the Contract from the Contractor, and purchase conforming services from other sources. In such event, the Contractor shall pay to the City upon demand the increased cost, if any, incurred by the City to procure such services from another source.

☒ Accepted as written

☐ Not Accepted as written. See comments below

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13. **ACCEPTANCE OF INCOMPLETE OR NON-CONFORMING DELIVERABLES.** If, instead of requiring immediate correction or removal and replacement of defective or non-conforming deliverables, the City prefers to accept it, the City may do so. The Contractor shall pay all claims, costs, losses and damages attributable to the City's evaluation of and determination to accept such defective or non-conforming deliverables. If any such acceptance occurs prior to final payment, the City may deduct such amounts as are necessary to compensate the City for the diminished value of the defective or non-conforming deliverables. If the acceptance occurs after final payment, such amount will be refunded to the City by the Contractor.

☒ Accepted as written

☐ Not Accepted as written. See comments below

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**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Section 0630 Commercial and Legal Contract Terms**

14. **RIGHT TO ASSURANCE.** Whenever one party to the Contract in good faith has reason to question the other party's intent to perform, demand may be made to the other party for written assurance of the intent to perform. In the event that no assurance is given within the time specified after demand is made, the demanding party may treat this failure as an anticipatory repudiation of the Contract.

☒ Accepted as written

☐ Not Accepted as written. See comments below

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15. **STOP WORK NOTICE.** The City may issue an immediate Stop Work Notice in the event the Contractor is observed performing in a manner that is in violation of Federal, State, or local guidelines, or in a manner that is determined by the City to be unsafe to either life or property. Upon notification, the Contractor will cease all work until notified by the City that the violation or unsafe condition has been corrected. The Contractor shall be liable for all costs incurred by the City as a result of the issuance of such Stop Work Notice.

☒ Accepted as written

☐ Not Accepted as written. See comments below

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16. **DEFAULT.** The Contractor shall be in default under the Contract if the Contractor (a) fails to fully, timely and faithfully perform any of its material obligations under the Contract, (b) fails to provide adequate assurance of performance under Paragraph 14, (c) becomes insolvent or seeks relief under the bankruptcy laws of the United States or (d) makes a material misrepresentation in Contractor's Offer, or in any report or deliverable required to be submitted by the Contractor to the City.

☒ Accepted as written

☐ Not Accepted as written. See comments below

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17. **TERMINATION FOR CAUSE.** In the event of a default by the Contractor, the City shall have the right to terminate the Contract for cause, by written notice effective ten (10) calendar days, unless otherwise specified, after the date of such notice, unless the Contractor, within such ten (10) day period, cures such default, or provides evidence sufficient to prove to the City's reasonable satisfaction that such default does not, in fact, exist. The City may place Contractor on probation for a specified period of time within which the Contractor must correct any non-compliance issues. Probation shall not normally be for a period of more than nine (9) months, however, it may be for a longer period, not to exceed one (1) year depending on the circumstances. If the City determines the Contractor has failed to perform satisfactorily during the probation period, the City may proceed with suspension. In the event of a default by the Contractor, the City may suspend or debar the Contractor in accordance with the "City of Austin Purchasing Office Probation, Suspension and Debarment Rules for Vendors" and remove the Contractor from the City's vendor list for up to five (5) years and any Offer submitted by the Contractor may be disqualified for up to five (5) years. In addition to any other remedy available under law or in equity, the City shall be entitled to recover all actual damages, costs, losses and expenses, incurred by the City as a result of the Contractor's default, including, without limitation, cost of cover,



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reasonable attorneys' fees, court costs, and prejudgment and post-judgment interest at the maximum lawful rate. All rights and remedies under the Contract are cumulative and are not exclusive of any other right or remedy provided by law.

☒ Accepted as written

☐ Not Accepted as written. See comments below

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18. **TERMINATION WITHOUT CAUSE.** The City shall have the right to terminate the Contract, in whole or in part, without cause any time upon thirty (30) calendar days prior written notice. Upon receipt of a notice of termination, the Contractor shall promptly cease all further work pursuant to the Contract, with such exceptions, if any, specified in the notice of termination. The City shall pay the Contractor, to the extent of funds Appropriated or otherwise legally available for such purposes, for all goods delivered and services performed and obligations incurred prior to the date of termination in accordance with the terms hereof.

☒ Accepted as written

☐ Not Accepted as written. See comments below

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19. **FRAUD.** Fraudulent statements by the Contractor on any Offer or in any report or deliverable required to be submitted by the Contractor to the City shall be grounds for the termination of the Contract for cause by the City and may result in legal action.

☒ Accepted as written

☐ Not Accepted as written. See comments below

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20. **DELAYS.**

- A. The City may delay scheduled delivery or other due dates by written notice to the Contractor if the City deems it is in its best interest. If such delay causes an increase in the cost of the work under the Contract, the City and the Contractor shall negotiate an equitable adjustment for costs incurred by the Contractor in the Contract price and execute an amendment to the Contract. The Contractor must assert its right to an adjustment within thirty (30) calendar days from the date of receipt of the notice of delay. Failure to agree on any adjusted price shall be handled under the Dispute Resolution process specified in paragraph 38. However, nothing in this provision shall excuse the Contractor from delaying the delivery as notified.
- B. Neither party shall be liable for any default or delay in the performance of its obligations under this Contract if, while and to the extent such default or delay is caused by acts of God, fire, riots, civil commotion, labor disruptions, sabotage, sovereign conduct, or any other cause beyond the reasonable control of such party. In the event of default or delay in contract performance due to any of the foregoing causes, then the time for completion of the services will be extended; provided, however, in such an event, a conference will be held within three (3) business days to establish a mutually agreeable period of time reasonably necessary to overcome the effect of such failure to perform.

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☒ Accepted as written

☐ Not Accepted as written. See comments below

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**21. INDEMNITY.**

**A. Definitions:**

- i. "Indemnified Claims" shall include any and all claims, demands, suits, causes of action, judgments and liability of every character, type or description, including all reasonable costs and expenses of litigation, mediation or other alternate dispute resolution mechanism, including attorney and other professional fees for:
  - (1) damage to or loss of the property of any person (including, but not limited to the City, the Contractor, their respective agents, officers, employees and subcontractors; the officers, agents, and employees of such subcontractors; and third parties); and/or
  - (2) death, bodily injury, illness, disease, worker's compensation, loss of services, or loss of income or wages to any person (including but not limited to the agents, officers and employees of the City, the Contractor, the Contractor's subcontractors, and third parties).
- ii. "Fault" shall include the sale of defective or non-conforming deliverables, negligence, willful misconduct, or a breach of any legally imposed strict liability standard.

- B. THE CONTRACTOR SHALL DEFEND (AT THE OPTION OF THE CITY), INDEMNIFY, AND HOLD THE CITY, ITS SUCCESSORS, ASSIGNS, OFFICERS, EMPLOYEES AND ELECTED OFFICIALS HARMLESS FROM AND AGAINST ALL INDEMNIFIED CLAIMS DIRECTLY ARISING OUT OF, INCIDENT TO, CONCERNING OR RESULTING FROM THE FAULT OF THE CONTRACTOR, OR THE CONTRACTOR'S AGENTS, EMPLOYEES OR SUBCONTRACTORS, IN THE PERFORMANCE OF THE CONTRACTOR'S OBLIGATIONS UNDER THE CONTRACT. NOTHING HEREIN SHALL BE DEEMED TO LIMIT THE RIGHTS OF THE CITY OR THE CONTRACTOR (INCLUDING, BUT NOT LIMITED TO, THE RIGHT TO SEEK CONTRIBUTION) AGAINST ANY THIRD PARTY WHO MAY BE LIABLE FOR AN INDEMNIFIED CLAIM.**

☒ Accepted as written

☐ Not Accepted as written. See comments below

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**22. INSURANCE. (Reference Section 0400 for specific coverage requirements). The following insurance requirements apply. (Revised 6/01/98)**

**A. General Requirements.**

- i. The Contractor shall at a minimum carry insurance in the types and amounts indicated in Section 0400, Supplemental Purchase Provisions, for the duration of the Contract, including extension options and hold over periods, and during any warranty period.
- ii. The Contractor shall provide Certificates of Insurance with the coverages and endorsements required in Section 0400, Supplemental Purchase Provisions, to the City as verification of coverage prior to contract execution and within fourteen (14) calendar days after written request from the City. Failure to provide the required Certificate of Insurance

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may subject the Offer to disqualification from consideration for award. The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or hold over period is exercised, as verification of continuing coverage.

- iii. The Contractor shall not commence work until the required insurance is obtained and until such insurance has been reviewed by the City. Approval of insurance by the City shall not relieve or decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.
- iv. The Contractor must submit certificates of insurance to the City for all subcontractors prior to the subcontractors commencing work on the project.
- v. The Contractor's and all subcontractors' insurance coverage shall be written by companies licensed to do business in the State of Texas at the time the policies are issued and shall be written by companies with A.M. Best ratings of B+VII or better. The City will accept workers' compensation coverage written by the Texas Workers' Compensation Insurance Fund.
- vi. The "other" insurance clause shall not apply to the City where the City is an additional insured shown on any policy. It is intended that policies required in the Contract, covering both the City and the Contractor, shall be considered primary coverage as applicable.
- viii. If insurance policies are not written for amounts specified in Section 0400, Supplemental Purchase Provisions, the Contractor shall carry Umbrella or Excess Liability Insurance for any differences in amounts specified. If Excess Liability Insurance is provided, it shall follow the form of the primary coverage.
- ix. The City shall be entitled, upon request, at an agreed upon location, and without expense, to review certified copies of policies and endorsements thereto and may make any reasonable requests for deletion or revision or modification of particular policy terms, conditions, limitations, or exclusions except where policy provisions are established by law or regulations binding upon either of the parties hereto or the underwriter on any such policies.
- x. The City reserves the right to review the insurance requirements set forth during the effective period of the Contract and to make reasonable adjustments to insurance coverage, limits, and exclusions when deemed necessary and prudent by the City based upon changes in statutory law, court decisions, the claims history of the industry or financial condition of the insurance company as well as the Contractor.
- xi. The Contractor shall not cause any insurance to be canceled nor permit any insurance to lapse during the term of the Contract or as required in the Contract.
- xii. The Contractor shall be responsible for premiums, deductibles and self-insured retentions, if any, stated in policies. All deductibles or self-insured retentions shall be disclosed on the Certificate of Insurance.
- xiii. The Contractor shall endeavor to provide the City thirty (30) calendar days' written notice of erosion of the aggregate limits below occurrence limits for all applicable coverages indicated within the Contract.
- xiv. The insurance coverages specified in Section 0400, Supplemental Purchase Provisions, are required minimums and are not intended to limit the responsibility or liability of the Contractor.

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**B. Specific Coverage Requirements:** Specific insurance requirements are contained in Section 0400, Supplemental Purchase Provisions

- i. Worker's Compensation and Employers' Liability Insurance. Coverage shall be consistent with statutory benefits outlined in the Texas Worker's Compensation Act (Section 401). The minimum policy limits for Employer's Liability are \$100,000 bodily injury each accident, \$500,000 bodily injury by disease policy limit and \$100,000 bodily injury by disease each employee.
  - (1) The Contractor's policy shall apply to the State of Texas and include these endorsements in favor of the City of Austin:
    - (a) Waiver of Subrogation, Form WC 420304, or equivalent coverage
    - (b) Thirty (30) days Notice of Cancellation, Form WC 420601, or equivalent coverage
- ii. Commercial General Liability Insurance. The minimum bodily injury and property damage per occurrence are \$500,000 for coverages A (Bodily Injury and Property Damage) and B (Personal and Advertising Injuries).
  - (1) The policy shall contain the following provisions:
    - (a) Blanket contractual liability coverage for liability assumed under the Contract and all other Contracts related to the project.
    - (b) Independent Contractor's Coverage.
    - (c) Products/Completed Operations Liability for the duration of the warranty period.
    - (d) If the project involves digging or drilling provisions must be included that provide Explosion, Collapse, and Underground Coverage (X,C,U).
  - (2) The policy shall also include these endorsements in favor of the City of Austin:
    - (a) Waiver of Subrogation, Endorsement CG 2404, or equivalent coverage
    - (b) Thirty (30) days Notice of Cancellation, Endorsement CG 0205, or equivalent coverage
    - (c) The City of Austin listed as an additional insured, Endorsement CG 2010, or equivalent coverage
- iii. Business Automobile Liability Insurance. The Contractor shall provide coverage for all owned, non-owned and hired vehicles with a minimum combined single limit of \$500,000 per occurrence for bodily injury and property damage. Alternate acceptable limits are \$250,000 bodily injury per person, \$500,000 bodily injury per occurrence and at least \$100,000 property damage liability per accident.
  - (1) The policy shall include these endorsements in favor of the City of Austin:
    - (a) Waiver of Subrogation, Endorsement TE 2046A, or equivalent coverage
    - (b) Thirty (30) days Notice of Cancellation, Endorsement TE 0202A, or equivalent coverage
    - (c) The City of Austin listed as an additional insured, Endorsement TE 9901B, or equivalent coverage.
- iv. Professional Liability Insurance The Contractor shall provide coverage, at a minimum limit of \$1,000,000 per claim, to pay on behalf of the assured all sums which the assured shall become legally obligated to pay as damages by reason of any negligent act, error, or omission arising out of the performance of professional services under this Agreement.

If coverage is written on a claims-made basis, the retroactive date shall be prior to or coincident with the date of the Contract and the certificate of insurance shall state that the coverage is claims-made and indicate the retroactive date. This coverage shall be continuous and will be provided for 24 months following the completion of the contract.



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C. **Certificate.** The following statement must be shown on the Certificate of Insurance:

"The City of Austin is an Additional Insured on the general liability and the auto liability policies. A Waiver of Subrogation is issued in favor of the City of Austin for general liability, auto liability and workers compensation policies."

☒ Accepted as written

☐ Not Accepted as written. See comments below

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23. **ELECTRONIC IMAGES.** The City reserves the right to capture electronic images of contractor employees or sub-contractors delivering this program for use in internal communications and marketing of Benefits Programs to City employees and retirees. Marketing may consist of; brochures, benefit materials, internal newsletters, and emails which may be copied, distributed, and transmitted via the City's intranet. Contractor hereby releases and holds the City harmless from and against any liability or claim for damages of any kind for the use as specified above.

☒ Accepted as written

☐ Not Accepted as written. See comments below

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24. **CLAIMS.** If any claim, demand, suit, or other action is asserted against the Contractor which arises under or concerns the Contract, or which could have a material adverse affect on the Contractor's ability to perform thereunder, the Contractor shall give written notice thereof to the City within ten (10) calendar days after receipt of notice by the Contractor. Such notice to the City shall state the date of notification of any such claim, demand, suit, or other action; the names and addresses of the claimant(s); the basis thereof; and the name of each person against whom such claim is being asserted. Such notice shall be delivered personally or by mail and shall be sent to the City and to the Austin City Attorney. Personal delivery to the City Attorney shall be to City Hall, 301 West 2<sup>nd</sup> Street, 4<sup>th</sup> Floor, Austin, Texas 78701, and mail delivery shall be to P.O. Box 1088, Austin, Texas 78767.

☒ Accepted as written

☐ Not Accepted as written. See comments below

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25. **NOTICES.** Unless otherwise specified, all notices, requests, or other communications required or appropriate to be given under the Contract shall be in writing and shall be deemed delivered three (3) business days after postmarked if sent by U.S. Postal Service Certified or Registered Mail, Return Receipt Requested. Notices delivered by other means shall be deemed delivered upon receipt by the addressee. Routine communications may be made by first class mail, telefax, or other commercially accepted means. Notices to the Contractor shall be sent to the address specified in the Contractor's Offer, or at such other address as a party may notify the other in writing. Notices to the City shall be addressed to the City at P.O. Box 1088, Austin, Texas 78767 and marked to the attention of the Contract Administrator.

☒ Accepted as written

☐ Not Accepted as written. See comments below

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26. **RIGHTS TO BID, PROPOSAL AND CONTRACTUAL MATERIAL.** All material submitted by the Contractor to the City shall become property of the City upon receipt. Any portions of such material claimed by the Contractor to be proprietary must be clearly marked as such. Determination of the public nature of the material is subject to the Texas Public Information Act, Chapter 552, Texas Government Code.

☒ Accepted as written

☐ Not Accepted as written. See comments below

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27. **NO WARRANTY BY CITY AGAINST INFRINGEMENTS.** The Contractor represents and warrants to the City that: (i) the Contractor shall provide the City good and indefeasible title to the deliverables and (ii) the deliverables supplied by the Contractor in accordance with the specifications in the Contract will not infringe, directly or contributorily, any patent, trademark, copyright, trade secret, or any other intellectual property right of any kind of any third party; that no claims have been made by any person or entity with respect to the ownership or operation of the deliverables and the Contractor does not know of any valid basis for any such claims. The Contractor shall, at its sole expense, defend, indemnify, and hold the City harmless from and against all liability, damages, and costs (including court costs and reasonable fees of attorneys and other professionals) arising out of or resulting from: (i) any claim that the City's exercise anywhere in the world of the rights associated with the City's ownership, and if applicable, license rights, and its use of the deliverables infringes the intellectual property rights of any third party; or (ii) the Contractor's breach of any of Contractor's representations or warranties stated in this Contract. In the event of any such claim, the City shall have the right to monitor such claim or at its option engage its own separate counsel to act as co-counsel on the City's behalf. Further, Contractor agrees that the City's specifications regarding the deliverables shall in no way diminish Contractor's warranties or obligations under this paragraph and the City makes no warranty that the production, development, or delivery of such deliverables will not impact such warranties of Contractor.

☒ Accepted as written

☐ Not Accepted as written. See comments below

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28. **CONFIDENTIALITY.** In order to provide the deliverables to the City, Contractor may require access to certain of the City's and/or its licensors' confidential information (including inventions, employee information, trade secrets, confidential know-how, confidential business information, and other information which the City or its licensors consider confidential) (collectively, "Confidential Information"). Contractor acknowledges and agrees that the Confidential Information is the valuable property of the City and/or its licensors and any unauthorized use, disclosure, dissemination, or other release of the Confidential Information will substantially injure the City and/or its licensors. The Contractor (including its employees, subcontractors, agents, or representatives) agrees that it will maintain the Confidential Information in strict confidence and shall not disclose, disseminate, copy, divulge, recreate, or otherwise use the Confidential Information without the prior written consent of the City or in a manner not expressly permitted under this Contract, unless the Confidential Information is required to be disclosed by law or an order of any court or other governmental authority with proper

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jurisdiction, provided the Contractor promptly notifies the City before disclosing such information so as to permit the City reasonable time to seek an appropriate protective order. The Contractor agrees to use protective measures no less stringent than the Contractor uses within its own business to protect its own most valuable information, which protective measures shall under all circumstances be at least reasonable measures to ensure the continued confidentiality of the Confidential Information.

☒ Accepted as written ☐ Not Accepted as written. See comments below

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29. **ADVERTISING.** The Contractor shall not advertise or publish, without the City's prior consent, the fact that the City has entered into the Contract, except to the extent required by law.

☒ Accepted as written ☐ Not Accepted as written. See comments below

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30. **NO CONTINGENT FEES.** The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the Contract upon any agreement or understanding for commission, percentage, brokerage, or contingent fee, excepting bona fide employees of bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the City shall have the right, in addition to any other remedy available, to cancel the Contract without liability and to deduct from any amounts owed to the Contractor, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee.

☒ Accepted as written ☐ Not Accepted as written. See comments below

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31. **GRATUITIES.** The City may, by written notice to the Contractor, cancel the Contract without liability if it is determined by the City that gratuities were offered or given by the Contractor or any agent or representative of the Contractor to any officer or employee of the City of Austin with a view toward securing the Contract or securing favorable treatment with respect to the awarding or amending or the making of any determinations with respect to the performing of such contract. In the event the Contract is canceled by the City pursuant to this provision, the City shall be entitled, in addition to any other rights and remedies, to recover or withhold the amount of the cost incurred by the Contractor in providing such gratuities.

☒ Accepted as written ☐ Not Accepted as written. See comments below

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32. **PROHIBITION AGAINST PERSONAL INTEREST IN CONTRACTS.** No officer, employee, independent consultant, or elected official of the City who is involved in the development, evaluation,

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or decision-making process of the performance of any solicitation shall have a financial interest, direct or indirect, in the Contract resulting from that solicitation. Any willful violation of this section shall constitute impropriety in office, and any officer or employee guilty thereof shall be subject to disciplinary action up to and including dismissal. Any violation of this provision, with the knowledge, expressed or implied, of the Contractor shall render the Contract voidable by the City.

☒ Accepted as written ☐ Not Accepted as written. See comments below

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33. **INDEPENDENT CONTRACTOR.** The Contract shall not be construed as creating an employer/employee relationship, a partnership, or a joint venture. The Contractor's services shall be those of an independent contractor. The Contractor agrees and understands that the Contract does not grant any rights or privileges established for employees of the City.

☒ Accepted as written ☐ Not Accepted as written. See comments below

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34. **ASSIGNMENT-DELEGATION.** The Contract shall be binding upon and enure to the benefit of the City and the Contractor and their respective successors and assigns, provided however, that no right or interest in the Contract shall be assigned and no obligation shall be delegated by the Contractor without the prior written consent of the City. Any attempted assignment or delegation by the Contractor shall be void unless made in conformity with this paragraph. The Contract is not intended to confer rights or benefits on any person, firm or entity not a party hereto; it being the intention of the parties that there be no third party beneficiaries to the Contract.

☒ Accepted as written ☐ Not Accepted as written. See comments below

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35. **WAIVER.** No claim or right arising out of a breach of the Contract can be discharged in whole or in part by a waiver or renunciation of the claim or right unless the waiver or renunciation is supported by consideration and is in writing signed by the aggrieved party. No waiver by either the Contractor or the City of any one or more events of default by the other party shall operate as, or be construed to be, a permanent waiver of any rights or obligations under the Contract, or an express or implied acceptance of any other existing or future default or defaults, whether of a similar or different character.

☒ Accepted as written ☐ Not Accepted as written. See comments below

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36. **MODIFICATIONS.** The Contract can be modified or amended only by a writing signed by both parties. No pre-printed or similar terms on any Contractor invoice, order or other document shall have any force or effect to change the terms, covenants, and conditions of the Contract.



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☒ Accepted as written

☐ Not Accepted as written. See comments below

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37. **INTERPRETATION.** The Contract is intended by the parties as a final, complete and exclusive statement of the terms of their agreement. No course of prior dealing between the parties or course of performance or usage of the trade shall be relevant to supplement or explain any term used in the Contract. Although the Contract may have been substantially drafted by one party, it is the intent of the parties that all provisions be construed in a manner to be fair to both parties, reading no provisions more strictly against one party or the other. Whenever a term defined by the Uniform Commercial Code, as enacted by the State of Texas, is used in the Contract, the UCC definition shall control, unless otherwise defined in the Contract.

☒ Accepted as written

☐ Not Accepted as written. See comments below

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38. **DISPUTE RESOLUTION**

- A. If a dispute arises out of or relates to the Contract, or the breach thereof, the parties agree to negotiate prior to prosecuting a suit for damages. However, this section does not prohibit the filing of a lawsuit to toll the running of a statute of limitations or to seek injunctive relief. Either party may make a written request for a meeting between representatives of each party within fourteen (14) calendar days after receipt of the request or such later period as agreed by the parties. Each party shall include, at a minimum, one (1) senior level individual with decision-making authority regarding the dispute. The purpose of this and any subsequent meeting is to attempt in good faith to negotiate a resolution of the dispute. If, within thirty (30) calendar days after such meeting, the parties have not succeeded in negotiating a resolution of the dispute, they will proceed directly to mediation as described below. Negotiation may be waived by a written agreement signed by both parties, in which event the parties may proceed directly to mediation as described below.
- B. If the efforts to resolve the dispute through negotiation fail, or the parties waive the negotiation process, the parties may select, within thirty (30) calendar days, a mediator trained in mediation skills to assist with resolution of the dispute. Should they choose this option, the City and the Contractor agree to act in good faith in the selection of the mediator and to give consideration to qualified individuals nominated to act as mediator. Nothing in the Contract prevents the parties from relying on the skills of a person who is trained in the subject matter of the dispute or a contract interpretation expert. If the parties fail to agree on a mediator within thirty (30) calendar days of initiation of the mediation process, the mediator shall be selected by the Travis County Dispute Resolution Center (DRC). The parties agree to participate in mediation in good faith for up to thirty (30) calendar days from the date of the first mediation session. The City and the Contractor will share the mediator's fees equally and the parties will bear their own costs of participation such as fees for any consultants or attorneys they may utilize to represent them or otherwise assist them in the mediation.

☒ Accepted as written

☐ Not Accepted as written. See comments below

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39. **JURISDICTION AND VENUE.** The Contract is made under and shall be governed by the laws of the State of Texas, including, when applicable, the Uniform Commercial Code as adopted in Texas, V.T.C.A., Bus. & Comm. Code, Chapter 1, excluding any rule or principle that would refer to and apply the substantive law of another state or jurisdiction. All issues arising from this Contract shall be resolved in the courts of Travis County, Texas and the parties agree to submit to the exclusive personal jurisdiction of such courts. The foregoing, however, shall not be construed or interpreted to limit or restrict the right or ability of the City to seek and secure injunctive relief from any competent authority as contemplated herein.

☒ Accepted as written ☐ Not Accepted as written. See comments below

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40. **INVALIDITY.** The invalidity, illegality, or unenforceability of any provision of the Contract shall in no way affect the validity or enforceability of any other portion or provision of the Contract. Any void provision shall be deemed severed from the Contract and the balance of the Contract shall be construed and enforced as if the Contract did not contain the particular portion or provision held to be void. The parties further agree to reform the Contract to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. The provisions of this section shall not prevent this entire Contract from being void should a provision which is the essence of the Contract be determined to be void.

☒ Accepted as written ☐ Not Accepted as written. See comments below

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41. **SURVIVABILITY OF OBLIGATIONS.** All provisions of the Contract that impose continuing obligations on the parties, including but not limited to the warranty, indemnity, and confidentiality obligations of the parties, shall survive the expiration or termination of the Contract.

☒ Accepted as written ☐ Not Accepted as written. See comments below

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42. **LIVING WAGES AND BENEFITS (applicable to procurements involving the use of labor).**

- A. In order to help assure low employee turnover, quality services, and to reduce costs for health care provided to uninsured citizens, the Austin City Council is committed to ensuring fair compensation for City employees and those persons employed elsewhere in Austin. This commitment has been supported by actions to establish a "living wage" and affordable health care protection. Currently, the minimum wage for City employees is \$11.00 per hour. This minimum wage is required for any Contractor employee directly assigned to this City Contract, unless Published Wage Rates are included in this solicitation. In addition, the City may stipulate higher wage rates in certain solicitations in order to assure quality and continuity of service.

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- B. Additionally, the City provides health insurance for its employees, and for a nominal rate, employees may obtain coverage for their family members. Contractors must offer health insurance with optional family coverage for all Contractor employees directly assigned to this contract. Proof of the health care plan shall be provided prior to award of a Contract. In addition, an insurance certificate for Workers' Compensation Insurance Coverage must be provided if required by the solicitation.
- C. The City requires Contractors submitting Offers on this Contract to provide a signed certification **(see the Living Wages and Benefits Contractor Certification included in the Solicitation)** with their Offer certifying that all employees directly assigned to this City Contract will be paid a minimum living wage equal to or greater than \$11.00 per hour and are offered a health care plan. The certification shall include a list of all employees directly assigned to providing services under the resultant contract including their name and job title. The list shall be updated and provided to the City as necessary throughout the term of the Contract.
- D. The Contractor shall maintain throughout the term of the resultant contract basic employment and wage information for each employee as required by the Fair Labor Standards Act (FLSA). Basic employment records shall at a minimum include:
- i. employee's full name, as used for social security purposes, and on the same record, the employee's identifying symbol or number if such is used in place of name on any time, work, or payroll records;
  - ii. time and date of week when employee's workweek begins;
  - iii. hours worked each day and total hours worked each workweek;
  - iv. basis on which employee's wages are paid;
  - v. regular hourly pay rate;
  - vi. total daily or weekly straight-time earnings;
  - vii. total overtime earnings for the workweek;
  - viii. all additions to or deductions from the employee's wages;
  - ix. total wages paid each pay period; and
  - x. date of payment and the pay period covered by the payment.
- E. The Contractor shall provide with the first invoice and as requested by the Department's Contract Manager, individual Employee Certifications **(see the Living Wages and Benefits Employee Certification included in the Solicitation)** for all employees directly assigned to the contract containing:
- i. the employee's name and job title;
  - ii. a statement certifying that the employee is paid at a rate equal to or greater than the Living Wage of \$11.00 per hour;
  - iii. a statement certifying that the employee is offered a health care plan with optional family coverage.
- Employee Certifications shall be signed by each employee directly assigned to the contract.
- A. Contractor shall submit employee certifications quarterly with the respective invoice to verify that employees are paid the Living Wage throughout the term of the contract.
- B. The Department's Contract Manager will periodically review the employee data submitted by the Contractor to verify compliance with this Living Wage provision. The City retains the right to review employee records identified in paragraph D above to verify compliance with this provision.

**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Section 0630 Commercial and Legal Contract Terms**

☒ Accepted as written

☐ Not Accepted as written. See comments below

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43. **HOLD OVER AT THE CITY'S OPTION.** Upon expiration of the Initial Term or a renewal or Optional Period, or if requested in writing by the City, Contractor agrees to hold over under the terms and conditions of this Contract for such a period of time as is reasonably necessary to re-solicit and/or complete the City's plan or program (not to exceed 120 days unless mutually agreed on in writing).

☒ Accepted as written

☐ Not Accepted as written. See comments below

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44. **ORDER OF PRECEDENCE.** The documents listed below, taken together, contain the obligations, project specifications, terms and conditions of the Agreement between the parties. In the event of a conflict between any of the provisions of a resultant Agreement(s), any inconsistency shall be resolved by giving precedence to the following order:

- 44.1 Administrative Services Agreement and exhibits,
- 44.2 City's Request for Proposal,
- 44.3 Contractor(s)'s proposal which includes any Clarifications and Best and Final Offer.

☒ Accepted as written

☐ Not Accepted as written. See comments below

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45. **SIGNIFICANT EVENT:** The Contractor shall immediately notify the Contract Manager of any current or prospective "significant event" on an ongoing basis. All notifications shall be submitted in writing to Contract Manager. As used in this provision, a "significant event" is any occurrence or anticipated occurrence which might reasonably be expected to have a material effect upon the Contractor's ability to meet its contractual obligations. Significant events may include but not be limited to the following:

- disposal of major assets;
- any major computer software conversion, enhancement or modification to the operating systems, security systems, and application software, used in the performance of this Contract;
- any significant termination or addition of provider contracts;
- Contractor's insolvency or the imposition of, or notice of the intent to impose, a receivership, conservatorship or special regulatory monitoring, or any bankruptcy proceedings, voluntary or involuntary, or reorganization proceedings;
- strikes, slow-downs or substantial impairment of the Contractor's facilities or of other facilities used by the Contractor in the performance of this contract;
- reorganization, reduction and/or relocation in key personnel such as, but not limited to, customer service representatives or claims adjusters;



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- known or anticipated sale, merger, or acquisition;
- known, planned or anticipated stock sales;
- any litigation filed by a member against the Contractor; or
- significant change in market share or product focus.

☒ Accepted as written

☐ Not Accepted as written. See comments below

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**46. EQUAL OPPORTUNITY**

**46.1 Equal Employment Opportunity:** No Contractor or Contractor's agent, shall engage in any discriminatory employment practice as defined in Chapter 5-4 of the City Code. No Bid submitted to the City shall be considered, nor any Purchase Order issued, or any Contract awarded by the City unless the Contractor has executed and filed with the City Purchasing Office a current Non-Discrimination Certification. The Contractor shall sign and return the Non-Discrimination Certification attached to the Solicitation and shall provide the policy within fourteen (14) calendar days after written request from the City. Non-compliance with Chapter 5-4 of the City Code may result in sanctions, including termination of the contract and the Contractor's suspension or debarment from participation on future City contracts until deemed compliant with Chapter 5-4.

**46.2 Americans With Disabilities Act (ADA) Compliance:** No Contractor, or Contractor's agent shall engage in any discriminatory employment practice against individuals with disabilities as defined in the ADA.

☒ Accepted as written

☐ Not Accepted as written. See comments below

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**47. MINORITY AND WOMEN OWNED BUSINESS ENTERPRISE (MBE/WBE) PROCUREMENT PROGRAM**

**47.1** All City procurements are subject to the City's Minority-Owned and Women-Owned Business Enterprise Procurement Program found at Chapters 2-9A, 2-9B, 2-9C and 2-9D of the City Code. The Program provides Minority-Owned and Women-Owned Business Enterprises (MBEs/WBEs) full opportunity to participate in all City contracts.

**47.2** If any service is needed to perform the Contract and the Contractor does not perform the service with its own workforce or if supplies or materials are required and the Contractor does not have the supplies or materials in its inventory, the Contractor shall contact the Department of Small and Minority Business Resources (DSMBR) at (512) 974-7600 to obtain a list of MBE and WBE firms available to perform the service or provide the supplies or materials. The Contractor must also make a Good Faith Effort to use available MBE and WBE firms. Good Faith Efforts include but are not limited to contacting the listed MBE and WBE firms to solicit their interest in performing on the Contract; using MBE and

**REQUEST FOR PROPOSAL NO. JSD0124**  
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WBE firms that have shown an interest, meet qualifications, and are competitive in the market; and documenting the results of the contacts

☒ Accepted as written

☐ Not Accepted as written. See comments below

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**48. NON-SOLICITATION**

48.1 During the term of the Contract, and for a period of six (6) months following termination of the Contract, the Contractor, its affiliate, or its agent shall not hire, employ, or solicit for employment or consulting services, a City employee employed in a technical job classification in a City department that engages or uses the services of a Contractor employee.

48.2 In the event that a breach of this paragraph occurs the Contractor shall pay liquidated damages to the City in an amount equal to the greater of: (i) one (1) year of the employee's annual compensation; or (ii) \_\_\_\_\_ percent of the employee's annual compensation while employed by the City. The Contractor shall reimburse the City for any fees and expenses incurred in the enforcement of this provision.

48.3 During the term of the Contract, and for a period of six (6) months following termination of the Contract, a department that engages the services of the Contractor or uses the services of a Contractor employee will not hire a Contractor employee while the employee is performing work under a contract with the City unless the City first obtains the Contractor's consent.

48.4 In the event that a breach of this) occurs, the City shall pay liquidated damages to the Contractor in an amount equal to the greater of: (i) one (1) year of the employee's annual compensation or (ii) \_\_\_\_\_ percent of the employee's annual compensation while employed by the Contractor.

☒ Accepted as written

☐ Not Accepted as written. See comments below

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- 49. PERFORMANCE BOND.** The Contractor shall provide a Performance Bond in an amount equal to one hundred percent (100 %) of the Agreement amount within fourteen (14) calendar days of notice of award. The Performance Bond serves as security for the faithful performance of all of the Contractor's obligations under the Agreement. The Performance Bond shall be issued by a solvent company authorized to do business in the State of Texas, and shall meet any other requirements established by law or by the City pursuant to applicable law. The Surety must obtain reinsurance for any portion of the risk that exceeds ten percent (10%) of the Surety's capital and surplus. For bonds exceeding \$100,000, the Surety must also hold a certificate of authority from the U.S. Secretary of the Treasury or have obtained reinsurance from a reinsurer that is authorized as a reinsurer in Texas and holds a certificate of authority from the U.S. Secretary of the Treasury. The Performance Bond shall remain in effect throughout the term of the Agreement and shall be renewed for each respective extension.

☒ Accepted as written

☐ Not Accepted as written. See comments below

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Authorized Signature

I have reviewed the information contained herein and indicated our acceptance or non acceptance of the terms. I understand that non acceptance of any term herein may cause my company's proposal to be deemed non-responsive.

Firm Name: COMPUSYS / ERISA GROUP, INC.

Authorized Representative (Type Name/Title) SANDRA B. THOMAS

Authorized Representative Signature: Sandra B Thomas

Vendor Code: ERISA65000



**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Section 0640 HIPAA Business Associate Agreement**

The City of Austin ("City") and COMPUSYS/ERISA GROUP ("Contractor") hereby agree that the following terms and conditions are made a part of the parties' Third Party Administration, to go into effect on January 1, 2013 (such contract, exhibits and attachments are collectively referred to herein as "Contract"), for all purposes. The parties acknowledge that this **Section 0640** is required by the federal Health Insurance Portability and Accountability Act of 1996 ("HIPAA").

The parties acknowledge and agree that Contractor, in performing its duties under the Contract, will receive individually identifiable protected health information as defined in Section 14 below (referred to as "Protected Health Information" or "PHI"), from City and from City's contractors or enrollees, and will create, receive or use PHI on the City's behalf. Contractor agrees to maintain the privacy and security of such PHI as required by all applicable laws and regulations, including but not limited to HIPAA and the privacy and security regulations adopted under HIPAA. Without limiting the foregoing, Contractor agrees to the following:

1. **Use of PHI:** Contractor shall not and shall ensure that its directors, officers, employees, contractors, and agents (referred to collectively as "Contractor's Agents") do not use PHI other than as expressly permitted by the Contract, or as required by law. Specifically, Contractor shall use PHI only for the following purposes: receive and process claims for payment for all eligible Plan participants; maintain claims history and patient profiles; maintain current eligibility data on all Plan participants; and for the proper management and administration of its internal business processes that relate to its responsibilities under the Contract, and to fulfill its legal responsibilities. In addition, Contractor agrees that it will not sell PHI, including patient or enrollee lists, nor use any PHI to engage in "marketing," as such term is defined in Section 164.501 of Title 45, U.S. Code of Federal Regulations. The term "marketing" includes, but is not limited to, the distribution of or mailing by Contractor or its affiliates of correspondence to City enrollees or their beneficiaries.
2. **Disclosure of PHI:**
  - a. *Disclosure to Third Parties.* Contractor shall not and shall ensure that Contractor's Agents do not disclose PHI to any other person or entity (other than members of Contractor's workforce as specified in subsection b. of this Section), unless disclosure is required by law, and as approved by City in writing. Any such disclosure shall be made only upon the written agreement of the subcontractor to be bound by the provisions of the Contract, for the express benefit of Contractor and City.

To the extent that Contractor discloses PHI to a third party, Contractor must obtain, prior to making any disclosure:

1. reasonable assurances from such third party that PHI will be held confidential as provided in the Contract, and only disclosed as required by law or for the purposes for which it was disclosed to such third party; and

**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Section 0640 HIPAA Business Associate Agreement**

2. an agreement from such third party to immediately notify Contractor of any breaches of the confidentiality of PHI, to the extent it has obtained knowledge of such breach.
  - b. *Disclosure to Workforce.* Contractor shall not disclose PHI to any member of its workforce unless Contractor has advised such person of Contractor's obligations under the Contract, and of the consequences for such person and for Contractor of violating them. Contractor shall take appropriate disciplinary action against any member of its workforce who uses or discloses PHI in contravention of this Contract.
3. **Safeguards:** Contractor shall implement all appropriate safeguards to prevent use or disclosure of PHI other than as permitted by the Contract. Contractor shall provide City with such information concerning the safeguards as City may from time to time request and shall, upon reasonable request, give City access for inspection and copying to Contractor's facilities used for the maintenance and processing of PHI, and to its books, records, practices, policies, and procedures concerning the use and disclosure of PHI. In addition, Contractor and Contractor's Agents shall comply with the minimum necessary requirements set forth in the HIPAA privacy regulations when using or disclosing PHI. Contractor also agrees to mitigate, to the extent possible, any harmful effects of an improper use or disclosure of PHI by Contractor in violation of the requirements of the Contract.
4. **Accounting of Disclosures:**
  - (a) Contractor shall maintain a record of all PHI disclosures made other than for the permitted purposes of the Contract, including the date of disclosure, the name and, if known, the address of the recipient of the PHI, a brief description of the PHI disclosed, and the purposes of the disclosures.
  - (b) Within ten (10) calendar days of notice by City to Contractor that City has received a request for an accounting of disclosures of PHI regarding an individual, Contractor shall make available to City such information as is in Contractor's possession and is required for City to make the accounting.
5. **Reporting of Disclosures of Protected Health Information:** Contractor shall, within five (5) business days (Monday - Friday) of becoming aware of a use or disclosure of PHI in violation of this Contract by Contractor or Contractor Agents, report such disclosure or use in writing to Don Ellison in the Employee Benefits Division of the City's Human Resources Department and describe remedial action taken or proposed to be taken with respect to such use or disclosure.
6. **Contracts by Third Parties:** Contractor shall enter into an agreement with any agent or subcontractor that will have access to PHI that is received from, or created or received by Contractor on behalf of City, in which such agent or subcontractor agrees to be bound by the same restrictions, terms, and conditions that apply to Contractor under this Contract.

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7. **Disclosure to U.S. Department of Health and Human Services:** Contractor shall make its internal practices, books and records, including policies and procedures, relating to the use and disclosures of PHI available to the Secretary of the United States Department of Health and Human Services, for purposes of determining compliance with HIPAA.
8. **Access by Individuals:** Within ten (10) calendar days of receipt of a request by City, Contractor shall permit any individual whose PHI is maintained by Contractor to have access to and to copy his or her PHI, in the format requested, unless it is not readily producible in such format, in which case it shall be produced in hard copy format. In the event any individual requests access to PHI held by Contractor directly from Contractor, Contractor shall, within two (2) days forward such request to City. Any denial of access to the PHI requested shall be the responsibility of City.
9. **Correction of PHI:** Contractor agrees to make any amendments to PHI that the City directs or agrees to under HIPAA. City shall provide Contractor with written instructions regarding any such amendment.
10. **Amendment:** Upon the enactment of any law or regulation affecting the use or disclosure of PHI, or the publication of any decision of a court of the United States or Texas relating to any such law, or the publication of any interpretive policy or opinion of any governmental agency charged with the enforcement of any such law or regulation, City may, by written notice to Contractor, amend this Contract in such manner as City determines necessary to comply with such law or regulation. If Contractor disagrees with any such amendment, it shall so notify City in writing within thirty (30) days of the date of the notice. If the parties are unable to agree on an amendment within thirty (30) days thereafter, either of them may terminate the Contract upon written notice to the other.
11. **Breach:** Without limiting the rights of the parties under the Contract, should Contractor breach any of its obligations under this Amendment, City may, at its option:
  - a. Exercise any of its rights of access and inspection under this Contract;
  - b. Provide Contractor with notice of the breach and an opportunity to cure such breach within thirty (30) calendar days of the notice of breach. If Contractor fails to cure the breach to City's satisfaction within such cure period, City may terminate the Contract by providing written notice to Contractor. If Contractor cures the breach within the cure period, City may require Contractor to submit to a plan of monitoring and reporting of uses and disclosures of PHI, as City may determine necessary to maintain compliance with this Amendment. Any such monitoring plan shall be made a part of the Contract;
  - c. Immediately terminate the Contract, with or without an opportunity to cure the breach; or
  - d. If termination is not feasible, report the breach to the Secretary of the United States

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**CITY OF AUSTIN PURCHASING OFFICE**  
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Department of Health and Human Services.

City's remedies under this section and Contract shall be cumulative, and the exercise of any remedy shall not preclude the exercise of any other.

**12. Procedure Upon Termination.**

- (1) Except as provided in paragraph (2) below, upon termination of the Contract, for any reason, Contractor shall return or destroy all PHI received from City, or created or received by Contractor on behalf of City. This provision shall also apply to PHI that is in the possession of subcontractors or agents of Contractor. Contractor shall retain no copies of the PHI.
- (2) In the event that Contractor determines that returning or destroying the PHI is not feasible, Contractor shall provide to City written notification of the conditions that make return or destruction infeasible. Upon agreement by City that return or destruction of PHI is not feasible, Contractor shall extend the protections of this Contract to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Contractor maintains the PHI.

**13. Indemnification.** Contractor shall indemnify and hold harmless City from and against any and all costs, liabilities, losses, damages and expenses (including, but not limited to, reasonable attorneys' fees) resulting from any claim, lawsuit or proceeding brought by a third party against City and arising from or related to a breach or alleged breach by Contractor or Contractor's Agents of the obligations referenced herein. Contractor's obligation to indemnify shall survive the expiration or termination of the Contract.

**14. Definitions for Use in this Addendum:**

- (a) *Individually Identifiable Health Information* shall mean information that is a subset of health information, including demographic information collected from an individual, that:
  - (i) is created or received by a health care provider, health plan, employer, or healthcare clearinghouse; and
  - (ii) relates to the past, present, or future physical or mental health or condition of an individual; the provision of healthcare to an individual; or the past, present, or future payment for the provision of healthcare to an individual; and (a) identifies the individual, or (b) with respect to which there is a reasonable basis to believe the information can be used to identify the individual.
- (b) *Protected Health Information* shall mean Individually Identifiable Health Information that is (i) transmitted by electronic media; (ii) maintained in any medium constituting



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**CITY OF AUSTIN PURCHASING OFFICE**  
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**Section 0640 HIPAA Business Associate Agreement**

electronic media; or (iii) transmitted or maintained in any other form or medium.

**"CITY"**

**CITY OF AUSTIN, A Home Rule Municipality**

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

**"CONTRACTOR"**

CompuSys / ERISA GROUP, INC.

Signature: Sandra B Thomas

Printed Name: SANDRA B. THOMAS

Title: VICE PRESIDENT

**CITY OF AUSTIN  
PURCHASING OFFICE  
REFERENCE SHEET**

**Please Complete and Return This Form with the Offer**

Solicitation Number:

Offeror's Name

Date

The Offeror shall furnish, with the Offer, the following information, for at least  recent customers to whom products and/or services have been provided that are similar to those required by this Solicitation.

To add additional references to this form, click the Add Reference Button. =====>

**Add Reference**

Company's Name	<input type="text" value="City of Austin Human Resources Division"/>		
Name of Contact	<input type="text" value="Karen Haywood"/>	Contact Title	<input type="text" value="Benefits Manager"/>
Present Address	<input type="text" value="505 Barton Springs Road Suite 600"/>		
City	<input type="text" value="Austin"/>	State	<input type="text" value="Texas"/> Zip Code <input type="text" value="78704"/>
Telephone Number	<input type="text" value="(512) 974-3465"/>	FAX Number	<input type="text" value="(512) 974-3420"/>
Email Address	<input type="text" value="Karen.Haywood@austintexas.gov"/>		

Company's Name	<input type="text" value="State of Alabama SEIB (State Insurance Board)"/>		
Name of Contact	<input type="text" value="Gary Matthews"/>	Contact Title	<input type="text" value="Benefits Coordinator"/>
Present Address	<input type="text" value="201 Monroe Street"/>		
City	<input type="text" value="Montgomery"/>	State	<input type="text" value="Alabama"/> Zip Code <input type="text" value="36130-3351"/>
Telephone Number	<input type="text" value="(334) 263-8407"/>	FAX Number	<input type="text" value="(334) 263-8711"/>
Email Address	<input type="text" value="gmatthews@alseib.org"/>		

Company's Name	<input type="text" value="Loudoun County Public Schools"/>		
Name of Contact	<input type="text" value="Lara Kizer"/>	Contact Title	<input type="text" value="Employee Benefits Specialist"/>
Present Address	<input type="text" value="21000 Education Court"/>		
City	<input type="text" value="Ashburn"/>	State	<input type="text" value="Virginia"/> Zip Code <input type="text" value="20148"/>
Telephone Number	<input type="text" value="(571) 252-1240"/>	FAX Number	<input type="text" value="(571) 252-1401"/>
Email Address	<input type="text" value="Lara.Kizer@lcps.org"/>		

Company's Name	Consumer Financial Protection Bureau		
Name of Contact	Nikki DiPalma	Contact Title	Human Resources Specialist
Present Address	P. O. Box 1328		
City	Parkersburg	State	West Virginia Zip Code 26106-1328
Telephone Number	(202) 435-7738	FAX Number	(202) 435-7329
Email Address	Nikki.DiPalma@treasury.gov		

Company's Name	Arlington County Public Schools		
Name of Contact	Barbara Knott	Contact Title	Benefits Specialist
Present Address	1426 N. Quincy Street - 4th Floor		
City	Arlington	State	Virginia Zip Code 22207
Telephone Number	(703) 228-6105	FAX Number	(703) 841-2138
Email Address	barbara.knott@apsva.us		

Company's Name	Pima County - Former Client		
Name of Contact	Gayl Hayes	Contact Title	HR Supervisor Benefits
Present Address	150 W. Congress 4th Floor		
City	Tucson	State	Arizona Zip Code 85701
Telephone Number	(520) 740-8006	FAX Number	(520) 740-8150
Email Address	Gayl.Hayes@pima.gov		

Company's Name	Federal Reserve Bank of Dallas (Former Client)		
Name of Contact	Bob Queyrouze	Contact Title	Coordinator - Compensation Benefits
Present Address	P.O. Box 655906		
City	Dallas	State	Texas Zip Code 75265-5906
Telephone Number	(214) 922-6374	FAX Number	(214) 922-6355
Email Address	bob.queyrouze@dal.frb.org		



**FORM 4: REFERENCE FORM (TWO PAGES)****PLEASE COMPLETE EACH AND EVERY SECTION.**

Name of Vendor for whom reference is given: Compusys Erisa  
 Your organization's business name: Pima County  
 Your Name and title: Gayl Hayes, Division Manager  
 Telephone number: 520-740-8006 E-Mail address: gayl.hayes@pima.gov  
 Total number of employees: 8200  
 Number of benefits eligible employees: 6800

- Does the Vendor currently provide your organization with Third-Party Dental Plan Administration services and for how many years? 4.5 years

Yes ☒ Service was provided from 7-2005 to Current  
 (MO/YR) (MO/YR)

No ☐

- Please briefly describe the scope of service and dollar value of the contract with Vendor:

Third party dental administration  
\$1.7 million

- Did Vendor meet all contract requirements satisfactorily: Yes ☒ No ☐
- How satisfied are you with the quality and accuracy of information provided by Vendor?

Very Satisfied

**PLEASE RATE THE FOLLOWING ITEMS (circle one):**

	Unsatisfactory	Below Average	Average	Above Average	Exceptional
1. Communications with Vendor:	0	1	2	3	(4)
Comments:					
2. Understanding of contractual requirements:	0	1	2	3	(4)
Comments:					
3. Completing projects on time and within budget:	0	1	2	3	(4)
Comments:					
4. Vendor knowledge of dental TPA services:	0	1	2	3	(4)
Comments:					
5. Vendor's record keeping and billing accuracy	0	1	2	3	(4)
Comments:					

**FORM 4: REFERENCE FORM (continued)**Name of Vendor for whom reference is given: Compusys Erisa

PLEASE RATE THE FOLLOWING ITEMS (circle one):

	0	1	2	3	4
	Unsatisfactory	Below Average	Average	Above Average	Exceptional
6. Vendor's responsiveness and success at addressing problems that arise:	0	1	2	3	(4)

Comments: \_\_\_\_\_

7. Competence of professional services staff.	0	1	2	3	(4)
Comments:	<u>Staff is very knowledgeable, professional &amp; proficient</u>				

8. Overall satisfaction with Vendor.	0	1	2	3	(4)
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Comments: \_\_\_\_\_

9. What are their strengths as a Third Party Administrator?

timeliness, responsiveness, knowledge, thoroughness

10. What are their drawbacks as a Third Party Administrator?

systems & processes are accurate & efficient.

11. Any other information that you would like to share about the Vendor:

Excellent service has been providedYour Signature: Gayle Hayes 1-28-2010

Please return this form to: \_\_\_\_\_ by this date and time: \_\_\_\_\_

Thank you for your time. Your cooperation is sincerely appreciated.

**END OF FORM 4**

**City of Austin, Texas  
EQUAL EMPLOYMENT/FAIR HOUSING OFFICE  
NON-DISCRIMINATION CERTIFICATION**

**SOLICITATION NO** **JSD0124**

**City of Austin, Texas  
Human Rights Commission**

To: City of Austin, Texas, ("OWNER")

I hereby certify that our firm conforms to the Code of the City of Austin, Section 5-4-2 as reiterated below:

Chapter 5-4. Discrimination in Employment by City Contractors.

**Sec. 4-2 Discriminatory Employment Practices Prohibited.** As an Equal Employment Opportunity (EEO) employer, the Contractor will conduct its personnel activities in accordance with established federal, state and local EEO laws and regulations and agrees:

- (B) (1) Not to engage in any discriminatory employment practice defined in this chapter.
- (2) To take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without discrimination being practiced against them as defined in this chapter. Such affirmative action shall include, but not be limited to: all aspects of employment, including hiring, placement, upgrading, transfer, demotion, recruitment, recruitment advertising; selection for training and apprenticeship, rates of pay or other form of compensation, and layoff or termination.
- (3) To post in conspicuous places, available to employees and applicants for employment, notices to be provided by OWNER setting forth the provisions of this chapter.
- (4) To state in all solicitations or advertisements for employees placed by or on behalf of the Contractor, that all qualified applicants will receive consideration for employment without regard to race, creed, color, religion, national origin, sexual orientation, gender identity, disability, veteran status, sex or age.
- (5) To obtain a written statement from any labor union or labor organization furnishing labor or service to Contractors in which said union or organization has agreed not to engage in any discriminatory employment practices as defined in this chapter and to take affirmative action to implement policies and provisions of this chapter.
- (6) To cooperate fully with OWNER's Human Rights Commission in connection with any investigation or conciliation effort of said Human Rights Commission to ensure that the purpose of the provisions against discriminatory employment practices are being carried out.
- (7) To require compliance with provisions of this chapter by all subcontractors having fifteen or more employees who hold any subcontract providing for the expenditure of \$2,000 or more in connection with any contract with OWNER subject to the terms of this chapter.

For the purposes of this Offer and any resulting Contract, Contractor adopts the provisions of the City's Minimum Standard Nondiscrimination Policy set forth below.

**City of Austin  
Minimum Standard Non-Discrimination in Employment Policy:**

*As an Equal Employment Opportunity (EEO) employer, the Contractor will conduct its personnel activities in accordance with established federal, state and local EEO laws and regulations.*

*The Contractor will not discriminate against any applicant or employee based on race, creed, color, national origin, sex, age, religion, veteran status, gender identity, disability, or sexual orientation. This policy covers all aspects of employment, including hiring, placement, upgrading, transfer, demotion, recruitment, recruitment advertising, selection for training and apprenticeship, rates of pay or other forms of compensation, and layoff or termination.*

*Further, employees who experience discrimination, sexual harassment, or another form of harassment should immediately report it to their supervisor. If this is not a suitable avenue for addressing their complaint, employees are advised to contact another member of management or their human resources representative. No employee shall be discriminated against, harassed, intimidated, nor suffer any reprisal as a result of reporting a violation of this policy. Furthermore, any employee, supervisor, or manager who becomes aware of any such discrimination or harassment should immediately report it to executive management or the human resources office to ensure that such conduct does not continue.*

Contractor agrees that to the extent of any inconsistency, omission, or conflict with its current non-discrimination employment policy, the Contractor has expressly adopted the provisions of the City's Minimum Non-Discrimination Policy contained in Section 5-4-2 of the City Code and set forth above, as the Contractor's Non-Discrimination Policy or as an amendment to such Policy and such provisions are intended to not only supplement the Contractor's policy, but will also supersede the Contractor's policy to the extent of any conflict.

UPON CONTRACT AWARD, THE CONTRACTOR SHALL PROVIDE A COPY TO THE CITY OF THE CONTRACTOR'S NON-DISCRIMINATION POLICY ON COMPANY LETTERHEAD, WHICH CONFORMS IN FORM, SCOPE, AND CONTENT TO THE CITY'S MINIMUM NON-DISCRIMINATION POLICY, AS SET FORTH HEREIN, **OR THIS NON-DISCRIMINATION POLICY, WHICH HAS BEEN ADOPTED BY THE CONTRACTOR FOR ALL PURPOSES (THE FORM OF WHICH HAS BEEN APPROVED BY THE CITY'S EQUAL EMPLOYMENT/FAIR HOUSING OFFICE), WILL BE CONSIDERED THE CONTRACTOR'S NON-DISCRIMINATION POLICY WITHOUT THE REQUIREMENT OF A SEPARATE SUBMITTAL.**

**Sanctions:**

Our firm understands that non-compliance with Chapter 5-4 may result in sanctions, including termination of the contract and suspension or debarment from participation in future City contracts until deemed compliant with the requirements of Chapter 5-4.

**Term:**

The Contractor agrees that this Section 0800 Non-Discrimination Certificate or the Contractor's separate conforming policy, which the Contractor has executed and filed with the Owner, will remain in force and effect for one year from the date of filing. The Contractor further agrees that, in consideration of the receipt of continued Contract payments, the Contractor's Non-Discrimination Policy will automatically renew from year-to-year for the term of the underlying Contract.

Dated this 28th day of May, 2012

CONTRACTOR

CompuSys/Erisa Group, Inc.

Authorized Signature

Landra B Thomas

Title

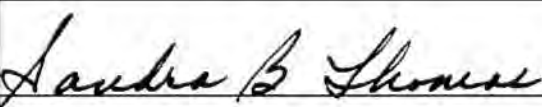
Vice President

**City of Austin, Texas**  
**NON-SUSPENSION OR DEBARMENT CERTIFICATION**

SOLICITATION NO. JSD0124

The City of Austin is prohibited from contracting with or making prime or sub-awards to parties that are suspended or debarred or whose principals are suspended or debarred from Federal, State, or City of Austin Contracts. Covered transactions include procurement contracts for goods or services equal to or in excess of \$25,000.00 and all non-procurement transactions. This certification is required for all Vendors on all City of Austin Contracts to be awarded and all contract extensions with values equal to or in excess of \$25,000.00 or more and all non-procurement transactions.

The Offeror hereby certifies that its firm and its principals are not currently suspended or debarred from bidding on any Federal, State, or City of Austin Contracts.

Contractor's Name:	<div style="border: 1px solid black; padding: 2px;">CompuSys/Erisa Group, Inc.</div>		
Signature of Officer or Authorized Representative:		Date:	<div style="border: 1px solid black; padding: 2px;">May 26, 2012</div>
Printed Name:	<div style="border: 1px solid black; padding: 2px;">Sandra B. Thomas</div>		
Title:	<div style="border: 1px solid black; padding: 2px;">Vice President</div>		



CITY OF AUSTIN  
NON-COLLUSION,  
NON-CONFLICT OF INTEREST, AND ANTI-LOBBYING AFFIDAVIT  
SOLICITATION NO. JSD0124  
FOR

Benefits Plan Administration

**State of Texas**

**County of Travis**

**The undersigned "Affiant" is a duly authorized representative of the Offeror for the purpose of making this Affidavit, and, after being first duly sworn, has deposed and stated and hereby deposes and states, to the best of his or her personal knowledge and belief as follows:**

The term "**Offeror**", as used herein, includes the individual or business entity submitting the Offer and for the purpose of this Affidavit includes the directors, officers, partners, managers, members, principals, owners, agents, representatives, employees, other parties in interest of the Offeror, and anyone or any entity acting for or on behalf of the Offeror, including a subcontractor in connection with this Offer.

- 1. Anti-Collusion Statement.** The Offeror has not in any way directly or indirectly:
  - a. colluded, conspired, or agreed with any other person, firm, corporation, Offeror or potential Offeror to the amount of this Offer or the terms or conditions of this Offer.
  - b. paid or agreed to pay any other person, firm, corporation Offeror or potential Offeror any money or anything of value in return for assistance in procuring or attempting to procure a contract or in return for establishing the prices in the attached Offer or the Offer of any other Offeror.
- 2. Preparation of Solicitation and Contract Documents.** The Offeror has not received any compensation or a promise of compensation for participating in the preparation or development of the underlying Solicitation or Contract documents. In addition, the Offeror has not otherwise participated in the preparation or development of the underlying Solicitation or Contract documents, except to the extent of any comments or questions and responses in the solicitation process, which are available to all Offerors, so as to have an unfair advantage over other Offerors, provided that the Offeror may have provided relevant product or process information to a consultant in the normal course of its business.
- 3. Participation in Decision Making Process.** The Offeror has not participated in the evaluation of Offers or other decision making process for this Solicitation, and, if Offeror is awarded a Contract hereunder, no individual, agent, representative, consultant, subcontractor, or subconsultant associated with Offeror, who may have been involved in the evaluation or other decision making process for this Solicitation, will have any direct or indirect financial interest in the Contract, provided that the Offeror may have provided relevant product or process information to a consultant in the normal course of its business.
- 4. Present Knowledge.** Offeror is not presently aware of any potential or actual conflicts of interest regarding this Solicitation, which either enabled Offeror to obtain an advantage over other Offerors or would prevent Offeror from advancing the best interests of the City in the course of the performance of the Contract.
- 5. City Code.** As provided in Sections 2-7-61 through 2-7-65 of the City Code, no individual with a substantial interest in Offeror is a City official or employee or is related to any City official or employee within the first or second degree of consanguinity or affinity.
- 6. Chapter 176 Conflict of Interest Disclosure.** In accordance with Chapter 176 of the Texas Local Government Code, the Offeror:
  - a. does not have an employment or other business relationship with any local government officer of the City or a family member of that officer that results in the officer or family member receiving taxable income;

**CITY OF AUSTIN  
NON-COLLUSION,  
NON-CONFLICT OF INTEREST, AND ANTI-LOBBYING AFFIDAVIT**

- b. has not given a local government officer of the City one or more gifts, other than gifts of food, lodging, transportation, or entertainment accepted as a guest, that have an aggregate value of more than \$250 in the twelve month period preceding the date the officer becomes aware of the execution of the Contract or that OWNER is considering doing business with the Offeror.
- c. as required by Chapter 176 of the Texas Local Government Code, Offeror must file a Conflict of Interest Questionnaire with the Office of the City Clerk no later than 5:00 P.M. on the seventh (7) business day after the commencement of contract discussions or negotiations with the City or the submission of an Offer, or other writing related to a potential Contract with the City. The questionnaire is available on line at the following website for the City Clerk:

<http://www.austintexas.gov/departments/conflict-interest-questionnaire>

There are statutory penalties for failure to comply with Chapter 176.

If the Offeror cannot affirmatively swear and subscribe to the forgoing statements, the Offeror shall provide a detailed written explanation in the space provided below or, as necessary, on separate pages to be annexed hereto.


Offeror's  
Explanation:

- 7. Anti-Lobbying Ordinance.** As set forth in the Solicitation Instructions, Section 0200, paragraph 7N, between the date that the Solicitation was issued and the date of full execution of the Contract, Offeror has not made and will not make a representation to a City official or to a City employee, other than the Authorized Contact Person for the Solicitation, except as permitted by the Ordinance.

Contractor's Name:	CompuSys/Erisa Group, Inc. / Sandra B. Thomas
Printed Name:	Sandra B. Thomas
Title:	Vice President

  
Signature of Officer or Authorized Representative:

Subscribed and sworn to before me this 29<sup>th</sup> day of MAY, 2012.

  
Notary Public



My Commission Expires 12/8/2012.

**CITY OF AUSTIN, TEXAS**  
**LIVING WAGES AND BENEFITS CONTRACTOR CERTIFICATION**  
*(Please duplicate as needed)*

**SOLICITATION NO.** JSD0124

Pursuant to the Living Wages and Benefits provision (reference Section 0400, Supplemental Purchase Provisions) the Contractor is required to pay to all employees directly assigned to this City contract a minimum Living Wage equal to or greater than \$11.00 per hour.

I hereby certify under penalty of perjury that all of the below listed employees of the Contractor who are directly assigned to this contract:

- (1) are compensated at wage rates equal to or greater than \$11.00 per hour; and
- (2) are offered a health care plan with optional family coverage.

(To add additional employees to this page, click the Add Button.)

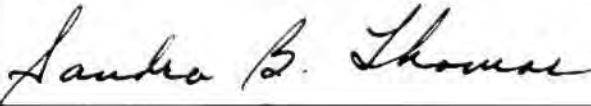
	Employee Name	Employee Job Title
Add Delete	Christine Banahan	Claims Analyst/Customer Service
Add Delete	Meagan Biscamp	Claims Analyst/Customer Service
Add Delete	Foster Feng	Senior Programmer
Add Delete	Hector Flores	Computer Operator
Add Delete	Charlescie Holt	Claims Analyst
Add Delete	Ken Kerulis	Financial Comptroller
Add Delete	Stephanie Mella	Customer Service Representative
Add Delete	Jessica Parchesky	Claims Manager
Add Delete	Shea Parker	Website Designer
Add Delete	Mary Pham	Receptionist
Add Delete	Karen Ross	Auditor
Add Delete	Jose Sandoval	Programmer

	Employee Name	Employee Job Title
Add	Kirsten Thomas	FSA Manager
Delete		
Add	Sandy Thomas	Project Director
Delete		
Add	Angie Watson	Customer Service
Delete		

(3) all future employees assigned to this Contract will be paid a minimum Living Wage equal to or greater than \$11.00 per hour and offered a health care plan with optional family coverage.

(4) Our firm will not retaliate against any employee claiming non-compliance with the Living Wage provision.

A Contractor who violates this Living Wage provision shall pay each employee affected the amount of the deficiency for each day the violation continues. Willful or repeated violations of the provision may result in termination of this Contract for Cause and subject the firm to possible suspension or debarment.

Contractor's Name:	CompuSys/Erisa Group, Inc.		
Signature of Officer or Authorized Representative:		Date:	May 28, 2012
Printed Name:	Sandra B Thomas		
Title:	Vice President		

**CITY OF AUSTIN, TEXAS  
LIVING WAGES AND BENEFITS EMPLOYEE CERTIFICATION**

Contract Number:	JSD0124		
Description of Services:	Benefits Plan Administration		
Contractor Name:	COMPUSYS / ERISA GROUP, INC		

Pursuant to the Living Wages and Benefits provision of the contract (reference Section 0400, Supplemental Purchase Provisions), the Contractor is required to pay to all employees directly assigned to this City contract a minimum Living Wage equal to or greater than \$11.00 per hour. In addition, employees are required to certify that they are compensated in accordance with the Living Wage provision. Contractors are prohibited from retaliating against any employee claiming non-compliance with the Living Wage provision.

I hereby certify under penalty of perjury that I am directly assigned to this contract and that I am:

- (1) compensated at wage rates equal to or greater than \$11.00 per hour; and
- (2) offered a health care plan with optional family coverage.

Employee's Title:	CLAIMS ANALYST		
Signature of Employee:	Christine Y. Banahan	Date:	5/24/12
Employee's Printed Name:	CHRISTINE BANAHAN		

Kenneth Kerulis  
(Witness Signature)

KENNETH KERULIS  
(Printed Name)



**CITY OF AUSTIN, TEXAS  
LIVING WAGES AND BENEFITS EMPLOYEE CERTIFICATION**

Contract Number:	JSD0124
Description of Services:	Benefits Plan Administration
Contractor Name:	COMPUSYS / ERISA GROUP, INC.

Pursuant to the Living Wages and Benefits provision of the contract (reference Section 0400, Supplemental Purchase Provisions), the Contractor is required to pay to all employees directly assigned to this City contract a minimum Living Wage equal to or greater than \$11.00 per hour. In addition, employees are required to certify that they are compensated in accordance with the Living Wage provision. Contractors are prohibited from retaliating against any employee claiming non-compliance with the Living Wage provision.

I hereby certify under penalty of perjury that I am directly assigned to this contract and that I am:

- (1) compensated at wage rates equal to or greater than \$11.00 per hour; and
- (2) offered a health care plan with optional family coverage.

Employee's Title:	CSR		
Signature of Employee:	Meagan Biscamp	Date:	5/25/12
Employee's Printed Name:	Meagan Biscamp		

*Kenneth Kerulis*  
(Witness Signature)

KENNETH KERULIS  
(Printed Name)

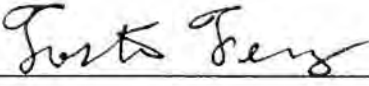
**CITY OF AUSTIN, TEXAS  
LIVING WAGES AND BENEFITS EMPLOYEE CERTIFICATION**

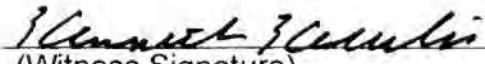
Contract Number:	JS100124
Description of Services:	Benefits Plan Administration
Contractor Name:	CAMPUSYS / ERISA GROUP, INC.

Pursuant to the Living Wages and Benefits provision of the contract (reference Section 0400, Supplemental Purchase Provisions), the Contractor is required to pay to all employees directly assigned to this City contract a minimum Living Wage equal to or greater than \$11.00 per hour. In addition, employees are required to certify that they are compensated in accordance with the Living Wage provision. Contractors are prohibited from retaliating against any employee claiming non-compliance with the Living Wage provision.

I hereby certify under penalty of perjury that I am directly assigned to this contract and that I am:

- (1) compensated at wage rates equal to or greater than \$11.00 per hour; and
- (2) offered a health care plan with optional family coverage.

Employee's Title:	PROGRAMMER		
Signature of Employee:		Date:	5-25-2012
Employee's Printed Name:	FOSTER FENG		

  
(Witness Signature)

KENNETH REAULIS  
(Printed Name)


**CITY OF AUSTIN, TEXAS  
LIVING WAGES AND BENEFITS EMPLOYEE CERTIFICATION**

Contract Number:	JSD0124
Description of Services:	Benefits Plan Administration
Contractor Name:	COMPUSYS / ERISA GROUP, INC.

Pursuant to the Living Wages and Benefits provision of the contract (reference Section 0400, Supplemental Purchase Provisions), the Contractor is required to pay to all employees directly assigned to this City contract a minimum Living Wage equal to or greater than \$11.00 per hour. In addition, employees are required to certify that they are compensated in accordance with the Living Wage provision. Contractors are prohibited from retaliating against any employee claiming non-compliance with the Living Wage provision.

I hereby certify under penalty of perjury that I am directly assigned to this contract and that I am:

- (1) compensated at wage rates equal to or greater than \$11.00 per hour; and
- (2) offered a health care plan with optional family coverage.

Employee's Title:	COMPUTER OPERATOR		
Signature of Employee:		Date:	5/24/22
Employee's Printed Name:	HECTOR FLORES		

  
(Witness Signature)

KENNETH KERULES  
(Printed Name)

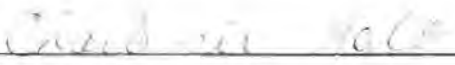
**CITY OF AUSTIN, TEXAS  
LIVING WAGES AND BENEFITS EMPLOYEE CERTIFICATION**

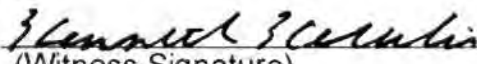
Contract Number:	JSD0124
Description of Services:	Benefits Plan Administration
Contractor Name:	COMPUSYS/ERISA GROUP, INC.

Pursuant to the Living Wages and Benefits provision of the contract (reference Section 0400, Supplemental Purchase Provisions), the Contractor is required to pay to all employees directly assigned to this City contract a minimum Living Wage equal to or greater than \$11.00 per hour. In addition, employees are required to certify that they are compensated in accordance with the Living Wage provision. Contractors are prohibited from retaliating against any employee claiming non-compliance with the Living Wage provision.

I hereby certify under penalty of perjury that I am directly assigned to this contract and that I am:

- (1) compensated at wage rates equal to or greater than \$11.00 per hour; and
- (2) offered a health care plan with optional family coverage.

Employee's Title:	CLAIMS ANALYST		
Signature of Employee:		Date:	5/21/22
Employee's Printed Name:	CHARLESCIE HOLT		

  
(Witness Signature)

KENNETH KERULES  
(Printed Name)

**CITY OF AUSTIN, TEXAS  
LIVING WAGES AND BENEFITS EMPLOYEE CERTIFICATION**

Contract Number:	JSD0124
Description of Services:	Benefits Plan Administration
Contractor Name:	CONIPUSYS / ERISA GROUP, INC.

Pursuant to the Living Wages and Benefits provision of the contract (reference Section 0400, Supplemental Purchase Provisions), the Contractor is required to pay to all employees directly assigned to this City contract a minimum Living Wage equal to or greater than \$11.00 per hour. In addition, employees are required to certify that they are compensated in accordance with the Living Wage provision. Contractors are prohibited from retaliating against any employee claiming non-compliance with the Living Wage provision.

I hereby certify under penalty of perjury that I am directly assigned to this contract and that I am:

- (1) compensated at wage rates equal to or greater than \$11.00 per hour; and
- (2) offered a health care plan with optional family coverage.

Employee's Title:	FINANCIAL CONTROLLER		
Signature of Employee:	Kenneth Kerulis	Date:	5/24/2012
Employee's Printed Name:	KENNETH KERULIS		

Jessica Parchesky  
(Witness Signature)

Jessica Parchesky  
(Printed Name)




**CITY OF AUSTIN, TEXAS  
LIVING WAGES AND BENEFITS EMPLOYEE CERTIFICATION**

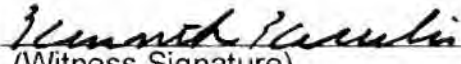
Contract Number:	TSDD124
Description of Services:	Benefits Plan Administration
Contractor Name:	COMPUSYS TERISA GROUP, INC

Pursuant to the Living Wages and Benefits provision of the contract (reference Section 0400, Supplemental Purchase Provisions), the Contractor is required to pay to all employees directly assigned to this City contract a minimum Living Wage equal to or greater than \$11.00 per hour. In addition, employees are required to certify that they are compensated in accordance with the Living Wage provision. Contractors are prohibited from retaliating against any employee claiming non-compliance with the Living Wage provision.

I hereby certify under penalty of perjury that I am directly assigned to this contract and that I am:

- (1) compensated at wage rates equal to or greater than \$11.00 per hour; and
- (2) offered a health care plan with optional family coverage.

Employee's Title:	TECHNICAL LIAISON		
Signature of Employee:		Date:	5-24-12
Employee's Printed Name:	ALEX MAY		

  
(Witness Signature)

KENNETH KERULIS  
(Printed Name)


**CITY OF AUSTIN, TEXAS  
LIVING WAGES AND BENEFITS EMPLOYEE CERTIFICATION**


Contract Number:	JSD0124
Description of Services:	Benefits Plan Administration
Contractor Name:	COMPUSYS / ERISA GROUP, INC.

Pursuant to the Living Wages and Benefits provision of the contract (reference Section 0400, Supplemental Purchase Provisions), the Contractor is required to pay to all employees directly assigned to this City contract a minimum Living Wage equal to or greater than \$11.00 per hour. In addition, employees are required to certify that they are compensated in accordance with the Living Wage provision. Contractors are prohibited from retaliating against any employee claiming non-compliance with the Living Wage provision.

I hereby certify under penalty of perjury that I am directly assigned to this contract and that I am:

- (1) compensated at wage rates equal to or greater than \$11.00 per hour; and
- (2) offered a health care plan with optional family coverage.

Employee's Title:	CSR		
Signature of Employee:		Date:	5/24/12
Employee's Printed Name:	STEPHANIE MELLA		

  
(Witness Signature)

KENNETH KERULIS  
(Printed Name)


**CITY OF AUSTIN, TEXAS  
LIVING WAGES AND BENEFITS EMPLOYEE CERTIFICATION**

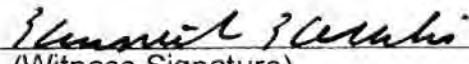
Contract Number:	TSD0124		
Description of Services:	Benefits Plan Administration		
Contractor Name:	CAMPUS / ERBA GROUP, INC.		

Pursuant to the Living Wages and Benefits provision of the contract (reference Section 0400, Supplemental Purchase Provisions), the Contractor is required to pay to all employees directly assigned to this City contract a minimum Living Wage equal to or greater than \$11.00 per hour. In addition, employees are required to certify that they are compensated in accordance with the Living Wage provision. Contractors are prohibited from retaliating against any employee claiming non-compliance with the Living Wage provision.

I hereby certify under penalty of perjury that I am directly assigned to this contract and that I am:

- (1) compensated at wage rates equal to or greater than \$11.00 per hour; and
- (2) offered a health care plan with optional family coverage.

Employee's Title:	CLAIMS MANAGER		
Signature of Employee:		Date:	5/24/12
Employee's Printed Name:	JESSICA PARCHESKY		

  
(Witness Signature)

KENNETH KERULIS  
(Printed Name)


**CITY OF AUSTIN, TEXAS  
LIVING WAGES AND BENEFITS EMPLOYEE CERTIFICATION**

Contract Number:	JSD0124		
Description of Services:	Benefits Plan Administration		
Contractor Name:	COMPUSYS / ERISA GROUP, INC.		

Pursuant to the Living Wages and Benefits provision of the contract (reference Section 0400, Supplemental Purchase Provisions), the Contractor is required to pay to all employees directly assigned to this City contract a minimum Living Wage equal to or greater than \$11.00 per hour. In addition, employees are required to certify that they are compensated in accordance with the Living Wage provision. Contractors are prohibited from retaliating against any employee claiming non-compliance with the Living Wage provision.

I hereby certify under penalty of perjury that I am directly assigned to this contract and that I am:

- (1) compensated at wage rates equal to or greater than \$11.00 per hour; and
- (2) offered a health care plan with optional family coverage.

Employee's Title:	RECEPTIONIST		
Signature of Employee:		Date:	05/24/12
Employee's Printed Name:	MARY PHAM		

Kenneth Kerules  
(Witness Signature)

KENNETH KERULES  
(Printed Name)

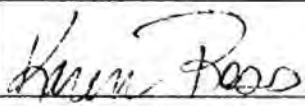
**CITY OF AUSTIN, TEXAS  
LIVING WAGES AND BENEFITS EMPLOYEE CERTIFICATION**

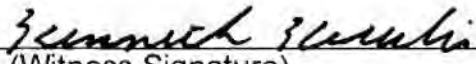
Contract Number:	ISD0124
Description of Services:	Benefits Plan Administration
Contractor Name:	COMPUSYS / ERISA GROUP, INC.

Pursuant to the Living Wages and Benefits provision of the contract (reference Section 0400, Supplemental Purchase Provisions), the Contractor is required to pay to all employees directly assigned to this City contract a minimum Living Wage equal to or greater than \$11.00 per hour. In addition, employees are required to certify that they are compensated in accordance with the Living Wage provision. Contractors are prohibited from retaliating against any employee claiming non-compliance with the Living Wage provision.

I hereby certify under penalty of perjury that I am directly assigned to this contract and that I am:

- (1) compensated at wage rates equal to or greater than \$11.00 per hour; and
- (2) offered a health care plan with optional family coverage.

Employee's Title:	CLAIMS AUDITOR		
Signature of Employee:		Date:	5/24/12
Employee's Printed Name:	KAREN ROSS		

  
(Witness Signature)

KENNETH KERULIS  
(Printed Name)



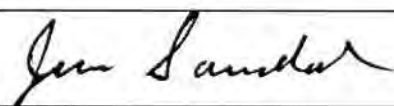
**CITY OF AUSTIN, TEXAS  
LIVING WAGES AND BENEFITS EMPLOYEE CERTIFICATION**


Contract Number:	JSD0124
Description of Services:	Benefits Plan Administration
Contractor Name:	COMPUSYS / ERISA GROUP, INC.

Pursuant to the Living Wages and Benefits provision of the contract (reference Section 0400, Supplemental Purchase Provisions), the Contractor is required to pay to all employees directly assigned to this City contract a minimum Living Wage equal to or greater than \$11.00 per hour. In addition, employees are required to certify that they are compensated in accordance with the Living Wage provision. Contractors are prohibited from retaliating against any employee claiming non-compliance with the Living Wage provision.

I hereby certify under penalty of perjury that I am directly assigned to this contract and that I am:

- (1) compensated at wage rates equal to or greater than \$11.00 per hour; and
- (2) offered a health care plan with optional family coverage.

Employee's Title:	PROGRAMMER		
Signature of Employee:		Date:	5/24/12
Employee's Printed Name:	JOSE SANDOVAL		

  
(Witness Signature)

KENNETH KERULIS  
(Printed Name)


**CITY OF AUSTIN, TEXAS  
LIVING WAGES AND BENEFITS EMPLOYEE CERTIFICATION**

Contract Number:	JSD0124
Description of Services:	Benefits Plan Administration
Contractor Name:	COMPUSYS TERISA GROUP, INC.

Pursuant to the Living Wages and Benefits provision of the contract (reference Section 0400, Supplemental Purchase Provisions), the Contractor is required to pay to all employees directly assigned to this City contract a minimum Living Wage equal to or greater than \$11.00 per hour. In addition, employees are required to certify that they are compensated in accordance with the Living Wage provision. Contractors are prohibited from retaliating against any employee claiming non-compliance with the Living Wage provision.

I hereby certify under penalty of perjury that I am directly assigned to this contract and that I am:

- (1) compensated at wage rates equal to or greater than \$11.00 per hour; and
- (2) offered a health care plan with optional family coverage.

Employee's Title:	CLAIMS PROCESSOR		
Signature of Employee:		Date:	11-10-2011
Employee's Printed Name:	MARGARET STERNBERG		

Kenneth Kerulis  
(Witness Signature)

KENNETH KERULIS  
(Printed Name)

**CITY OF AUSTIN, TEXAS  
LIVING WAGES AND BENEFITS EMPLOYEE CERTIFICATION**

Contract Number:	JS00124		
Description of Services:	Benefits Plan Administration		
Contractor Name:	COMPU-SYS/ERISA GROUP, INC.		

Pursuant to the Living Wages and Benefits provision of the contract (reference Section 0400, Supplemental Purchase Provisions), the Contractor is required to pay to all employees directly assigned to this City contract a minimum Living Wage equal to or greater than \$11.00 per hour. In addition, employees are required to certify that they are compensated in accordance with the Living Wage provision. Contractors are prohibited from retaliating against any employee claiming non-compliance with the Living Wage provision.

I hereby certify under penalty of perjury that I am directly assigned to this contract and that I am:

- (1) compensated at wage rates equal to or greater than \$11.00 per hour; and
- (2) offered a health care plan with optional family coverage.

Employee's Title:	FSA MANAGER		
Signature of Employee:	Kirsten Thomas	Date:	5/29/12
Employee's Printed Name:	Kirsten Thomas		

Kenneth Kerulis  
(Witness Signature)

KENNETH KERULIS  
(Printed Name)

**CITY OF AUSTIN, TEXAS  
LIVING WAGES AND BENEFITS EMPLOYEE CERTIFICATION**

Contract Number:	JS00124
Description of Services:	Benefits Plan Administration
Contractor Name:	COMPUSTRY/ERISA GROUP, INC.

Pursuant to the Living Wages and Benefits provision of the contract (reference Section 0400, Supplemental Purchase Provisions), the Contractor is required to pay to all employees directly assigned to this City contract a minimum Living Wage equal to or greater than \$11.00 per hour. In addition, employees are required to certify that they are compensated in accordance with the Living Wage provision. Contractors are prohibited from retaliating against any employee claiming non-compliance with the Living Wage provision.

I hereby certify under penalty of perjury that I am directly assigned to this contract and that I am:

- (1) compensated at wage rates equal to or greater than \$11.00 per hour; and
- (2) offered a health care plan with optional family coverage.

Employee's Title:	VICE PRESIDENT		
Signature of Employee:	<i>Sandra B Thomas</i>	Date:	5/24/12
Employee's Printed Name:	SANDRA B THOMAS		

*Kenneth Kerules*  
(Witness Signature)

KENNETH KERULES  
(Printed Name)


**CITY OF AUSTIN, TEXAS  
LIVING WAGES AND BENEFITS EMPLOYEE CERTIFICATION**

Contract Number:	JS00124
Description of Services:	Benefits Plan Administration
Contractor Name:	CAMPUS VERISA GROUP, INC.

Pursuant to the Living Wages and Benefits provision of the contract (reference Section 0400, Supplemental Purchase Provisions), the Contractor is required to pay to all employees directly assigned to this City contract a minimum Living Wage equal to or greater than \$11.00 per hour. In addition, employees are required to certify that they are compensated in accordance with the Living Wage provision. Contractors are prohibited from retaliating against any employee claiming non-compliance with the Living Wage provision.

I hereby certify under penalty of perjury that I am directly assigned to this contract and that I am:

- (1) compensated at wage rates equal to or greater than \$11.00 per hour; and
- (2) offered a health care plan with optional family coverage.

Employee's Title:	CSR		
Signature of Employee:		Date:	5/24/12
Employee's Printed Name:	ANGELA WATSON		

  
(Witness Signature)

KENNETH KERULES  
(Printed Name)




**City of Austin, Texas**  
**NONRESIDENT BIDDER PROVISIONS**  
SOLICITATION NO. JSD0124

- A. Bidder must answer the following questions in accordance with Vernon's Texas Statutes and Codes Annotated Government Code 2252.002, as amended:

Is the Bidder that is making and submitting this Bid a "Resident Bidder" or a "Non-resident Bidder"?

- ☒ Texas Resident Bidder - A Bidder whose principal place of business is in Texas and includes a Contractor whose ultimate parent company or majority owner has its principal place of business in Texas.
- ☐ Non-resident Bidder

Bidder's Name:	<span style="border: 1px solid black; display: block; min-height: 1.2em;">CompuSys/Erisa Group, Inc. /Sandra B. Thomas</span>		
Signature of Officer or Authorized Representative:		Date:	<span style="border: 1px solid black; display: block; min-height: 1.2em;">May 26, 2012</span>
Printed Name:	<span style="border: 1px solid black; display: block; min-height: 1.2em;">Sandra B. Thomas</span>		
Title:	<span style="border: 1px solid black; display: block; min-height: 1.2em;">Vice President</span>		

MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISE (MBE/WBE)  
PROCUREMENTPROG  
NO GOALSUTILIZATION PLAN  
(Please duplicate as needed)

SOLICITATION NUMBER: JSD0124

PROJECT NAME: Benefits Plan Administration

PRIME CONTRACTOR/CONSULTANT COMPANY INFORMATION

Name of Contractor/Consultant	CompuSvs/Erisa Group, Inc.
Address	13706 Research Blvd. Suite 308
City, State Zip	Austin, TX 78750
Phone	512-250-9397/FaxNumber 1512-250-9487
Name of Contact Person	Sandra Thomas
Is company City certified?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> MBE/WBEJointVenture <input type="checkbox"/>

I certify that the information included in this No Goals Utilization Plants true and complete to the best of my knowledge and belief. I further understand and agree that the information in this document shall become part of my Contract with the City of Austin.

SANDRA B THOMAS  
Name and Title of Authorized Representative (Print or Type)

Sandra B Thomas  
Signature

May 29, 2012  
Date

Provide a list of all proposed subcontractors/subconsultants/suppliers that will be used in the performance of this Contract. Attach Good Faith Efforts documentation if non MBE/WBE firms will be used.

Sub-Contractor/Consultant	METAVANTE CORPORATION
City of Austin Certified	<input type="checkbox"/> MBE <input checked="" type="checkbox"/> WBE <input type="checkbox"/> Ethnic/Gender Code: <input checked="" type="checkbox"/> NON-CERTIFIED
Vendor ID Code	
Contact Person	<u>BRIAN HICKEY</u> Phone Number: <u>858-232-8293</u>
Amount of Subcontract	\$43,000.00 per year
List commodity codes & description of services	VENDOR PROVIDING DEBIT CARD SERVICES FOR THE COA'S FSAs

Sub-Contractor/Consultant	
City of Austin Certified	<input type="checkbox"/> MBE <input checked="" type="checkbox"/> WBE <input type="checkbox"/> Ethnic/Gender Code: <input type="checkbox"/> NON-CERTIFIED
Vendor ID Code	
Contact Person	Phone Number:
Amount of Subcontract	\$
List commodity codes & description of services	

FOR SMALL AND MINORITY BUSINESS RESOURCES DEPARTMENT USE ONLY:

Having reviewed this plan, I acknowledge that the proposer (HAS) or (HAS NOT) complied with City Code Chapter 2-9A/B/C/D, as amended.

Reviewing Counselor \_\_\_\_\_ Date \_\_\_\_\_ Director/Deputy Director \_\_\_\_\_ Date \_\_\_\_\_

MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISE (MBE/WBE)  
PROCUREMENT PROGRAM  
NO GOALS FORM

SOLICITATION NUMBER: JSD0124

PROJECT NAME: Benefits Plan Administration

The City of Austin has determined that no goals are appropriate for this project. Even though no goals have been established for this solicitation, the Bidder/Proposer is required to comply with the City's MBE/WBE Procurement Program, if areas of subcontracting are identified.

If any service is needed to perform the Contract and the Bidder/Proposer does not perform the service with its own workforce or if supplies or materials are required and the Bidder/Proposer does not have the supplies or materials in its inventory, the Bidder/Proposer shall contact the Small and Minority Business Resources Department (SMBR) at (512) 974-7600 to obtain a list of MBE and WBE firms available to perform the service or provide the supplies or materials. The Bidder/Proposer must also make a Good Faith Effort to use available MBE and WBE firms. Good Faith Efforts include but are not limited to contacting the listed MBE and WBE firms to solicit their interest in performing on the Contract; using MBE and WBE firms that have shown an interest, meet qualifications, and are competitive in the market; and documenting the results of the contacts.

Will subcontractors or sub-consultants or suppliers be used to perform portions of this Contract?

No \_\_\_\_\_ If no, please sign the No Goals Form and submit it with your Bid/Proposal in a sealed envelope.

Yes, X If yes, please contact SMBR to obtain further instructions and an availability list and perform Good Faith Efforts. Complete and submit the No Goals Form and the No Goals Utilization Plan with your Bid/Proposal in a sealed envelope.

After Contract award, if your firm subcontracts any portion of the Contract, it is a requirement to complete Good Faith Efforts and the No Goals Utilization Plan, listing any subcontractor, subconsultant, or supplier. Return the completed Plan to the Project Manager or the Contract Manager.

I understand that even though no goals have been established, I must comply with the City's MBE/WBE Procurement Program if subcontracting areas are identified. I agree that this No Goals Form and No Goals Utilization Plan shall become a part of my Contract with the City of Austin.

CompuSys/Erisa Group, Inc.  
Company Name

Sandra B. Thomas, Vice President  
Name and Title of Authorized Representative (Print or Type)

*Sandra B Thomas*  
Signature

May 29, 2012  
Date



REQUEST FOR PROPOSAL ADDENDUM  
PURCHASING OFFICE  
CITY OF AUSTIN, TEXAS

DESCRIPTION: BENEFITS PLAN ADMINISTRATION  
RFP NO. JSD0124 ADDENDUM NO. 1  
DATE OF ADDENDUM 5/11/2012

This Request for Proposal is hereby amended to incorporate the following:

1. The additional written questions received and the answers thereto are listed below.

**Purchasing Office Related Questions:**

**Question 1:** The Purchasing website will not be available from May 3-8, but the vendor clarification questions deadline is May 4, 2012. How can vendors check the Purchasing website or send in questions during this time?

**Answer:** If vendors have clarification questions, send them directly to Jeff Dilbert at the Purchasing Department. The addendum will be posted on the website once it is functional.

**Question 2:** How long is the current contract with CompuSys/Erisa Group, Inc.?

**Answer:** The current contract had an initial 3 year contract with 3 one year extensions. The current contract expires 12/31/2012.

**Question 3:** Will vendors have access to the current contract?

**Answer:** Vendors would need to submit a formal open records request to obtain a copy of the current contract. However, vendors can search the City's Finance website which will show payment history for this contract.

**Question 4:** Why is the initial contract term for this solicitation only one year? Is the City open to extending to 3 years then optional renewals?

**Answer:** The benefits environment is rapidly evolving and for business reasons, the City needs to have flexibility with contracting terms. The solicitation currently states the contract terms. However, vendors can take exception to this requirement, provide alternative language along with the business need for the exception so that the City can evaluate accordingly. All exceptions must be clearly indicated in Tab 8 on Attachment 12 of the proposal response.

**Question 5:** Please identify the other Texas governmental entities that participate in the Interlocal Purchasing Agreement with the City of Austin.

**Answer:** Denver, Seattle, El Paso, Cedar Park, and Travis County.

**Question 6:** Please clarify the need for both a proposal and performance bond and is the City willing to accept approved financials to confirm financial stability and performance?

- Answer: The City cannot accept approved financials in lieu of a the proposal and /or performance bonds. The proposal bond simply tells the City that should you be recommended for award, you are able to secure the performance bond. It is analogous to getting pre-approved for a loan from your bank.
- Question 7: Are there any file size restrictions for the e-mail submission? Are there any functional restrictions for the e-mail submission, e.g., does City of Austin accept zip files and all file formats?**
- Answer: If these questions refer to proposal submissions, please be aware that vendor proposals cannot be submitted electronically.
- If these questions refer to electronic communication between the City and a contracted vendor, the City requires that all electronic communications that contain confidential information be sent through a secure and encrypted process.
- Question 8: Would it be possible for the City of Austin to provide us with a Word or editable PDF version of "RFP\_5800\_JSD0124\_PAC1\_v1.pdf"? Would it be possible for you to send us the RFP documents in Microsoft Word? If this is not possible for all documents, could we get at least Section 0500 Scope of Work in this format?**
- Answer: No. When we have provided identical documents in different formats in the past, it led to confusion and errors on the vendor's part, which jeopardized their proposals. If you download the most current Adobe Reader (free) you will be able to manage the PDF documents.
- Question 9: In Section 0600, you state: *Complete and submit the following documents and place in Tab 2 of your proposal response. Offer and Award Sheet. Where do we obtain the Award Sheet?***
- Answer: This is a typo as this document is only called "Offer Sheet".
- Question 10: Which Tab should we insert Section 0835 (Nonresident Bidder Provisions)?**
- Answer: Please complete and submit Section 0835 – Nonresident Bidder Provisions in Tab 2 – City of Austin Purchasing Documents after Section 0820 – Living Wages Employee Certification Document.
- Question 11: In Tab 2, City of Austin Purchasing Documents, the following question was asked: *Section 0700 References. Provide a list of at least five references (with at least two from the public sector) for each administration service you are proposing. Include a contact name, address, email, and telephone number for each. Provide references for both current and former accounts. Based on the above question, are we supposed to provide at least 5 current client references and 5 former client references or 5 references in total?***
- Answer: At a minimum, vendors should provide at least 5 references and should include both current and former clients as well as 2 references from the public sector. However, vendors are welcome to provide more than 5 references.

**Miscellaneous Questions:**

**Question 1: Has the volume of enrollment changed recently?**

Answer: The City's enrollment volume has been relatively stable for the past 4 years.



- Question 2:** Does the current vendor have walk-in business?
- Answer:** Yes. Employees and other Covered Persons do go directly to CompuSys/Erisa Group's local office regarding dental claims questions, FLEXTRA claims questions, and delivering premium payments for COBRA coverage or Self-Pay coverage.
- Question 3:** Please clarify the intent of Section 3.4 Fiduciary Responsibility in the City contract that requires the TPA be named fiduciary and held responsible for interpreting the terms of the Plan after the City confirmed during the Pre-Proposal Conference that they would be determining eligibility.
- Answer:** Fiduciary responsibility does not apply to Eligibility Administration. The City determines who is eligible for benefits coverage. The Contractor must assume fiduciary responsibility for administering the benefit programs (for example: collecting the premium payments or terminating coverage for COBRA participants or Self-Pay Retirees on a timely basis; processing claims for either the Employee Dental Assistance Plan or Flexible Benefits spending accounts) according to the terms of the benefit plans as determined by the City.
- Question 4:** Please provide participation breakdowns for COBRA, Continuation of Coverage for Domestic Partners & Self-Pay Administration; Self Funded Dental Plan(s); and Flexible Benefits (FSAs).
- Answer:** Please see Exhibit 7 – Summary Enrollment Report and also Paragraph 5.0, Paragraph 6.0, and Paragraph 7.0 in the Section 0500 Scope of Work document.
- Question 5:** Could the City breakdown Retiree participation by Self-Pay, Retirement System and surviving spouse?
- Answer:** Please see Exhibit 7 – Summary Enrollment Report for this breakdown.
- Question 6:** Is Retiree administration considered to fall into the category of *Eligibility Administration or COBRA, Continuation of Coverage for Domestic Partners & Self-Pay Administration*?
- Answer:** The Eligibility Administration vendor will maintain the full list of all eligible Covered Persons, including Retirees, and is responsible for communicating this list with the City's benefit vendors.
- The Self-Pay Administration vendor will receive the list of eligible Covered Persons from the Eligibility Administration vendor and is responsible for collecting the appropriate premiums for the elected benefit coverage from the Self-Pay Retiree or Surviving Spouse.
- Question 7:** What service enhancements does the City seek to gain for its Benefit Plans Administration?
- Answer:** Vendors should provide in their proposal response other service enhancements that they offer other clients that are not included as requirements in the Section 0500 Scope of Work.
- Question 8:** Our company's administrative solution depends more on automation than is currently in place. We would like to understand better where City of Austin would prefer for us to include the details of our automated solution. In Section 0600 Proposal Preparation Instructions, Tab 8 - Exceptions to the Proposal states that the proposer can state any exceptions in this section. Is this the proper place for process-oriented exceptions or is this section to be used for exceptions to Terms & Conditions? If the process-oriented exceptions are to be provided elsewhere, please let me know where City of Austin would like us to provide this information.

Answer: Place alternative or enhanced solutions information within the applicable Proposal Response Tab after completing required responses. For example, if Proposer has enhanced services for the Eligibility Administration service, in Tab 4 of the Proposal response, complete all information as required for Tab 4 – Part A and Part B and then submit enhanced services information in Tab 4 – Part C.

**Implementation Related Questions:**

**Question 1:** In the Communications section of the 0500 Scope of Work (Paragraph 3.7) states that the Contractor must supply 5,000 copies of general written communication materials during Open Enrollment and throughout the year. Can you please elaborate on this request (i.e., are these enrollment worksheets, benefits guides, etc.)? Who provides the communication materials?

Answer: Eligibility Administration: Vendor provides the Open Enrollment Coverage Information Statements which are delivered to the City for distribution and the Open Enrollment Confirmation of Coverage Statements which are mailed to the employee and retiree home addresses.

The COBRA, Continuation of Coverage for Domestic Partners, and Self-Pay Administration: Vendor provides and mails to home address the notification letters, guides, benefits enrollment forms, late payment and termination of benefits letters, and Open Enrollment packets for the COBRA participants and Continuation of Coverage for Domestic Partners participants.

The Self-Funded Dental Plan Claims Administration: Vendor provides claim forms, Explanation of Benefits (EOB), annual and on-going identification cards, Certificates of Creditable Coverage, and IRS – 1099 Forms at year end.

The Flexible Benefits Claims Administration for FLEXTRA Health care and Dependent care spending accounts: Vendor provides claim forms, printed account balance statements 4 times a year, and a debit card for all Employees enrolled in the FLEXTRA Health care spending account program.

The Flexible Benefits Claims Administration for Childcare Assistance Program: Vendor provides claim forms and IRS – 1099 Forms at year end.

The City provides, at a minimum, the annual Employee Benefits Guide, Benefits Guide for Retirees and Surviving Spouses, the Employee Dental Assistance Plan Document, the Employee Benefits Enrollment Forms, and the Retiree Benefits Enrollment Forms.

**Question 2:** Please clarify the dates referenced in the solicitation, specifically the contract start date of January 2013 with implementation starting in September 2012.

Answer: Upon City Council award, anticipated for August 2012, the successful vendor(s) will immediately begin the implementation process with the City's benefits staff. The Eligibility Administration vendor implementation will include, at a minimum, sending test files for the 834 HIPAA file with the City's benefits vendors, sending test payroll files with the City's payroll department, and receiving test files from the current Eligibility Administration Contractor.

For all other administration services, the implementation period will begin in September with the Contractor's customer service staff prepared and ready the first day of Open Enrollment in mid-October 2012. The contract payments will

begin January 2013 but cannot include services rendered prior to January 1, 2013.

**Question 3: Can you explain how the bank accounts are funded?**

Answer: Currently, the deposits and payments are made out of the City's zero balance account (ZBA) for the following administration services: 1) COBRA, Continuation of Coverage for Domestic Partners, and Self-Pay Administration, 2) Self-Funded Dental Plan Claims Administration, 3) Flexible Benefits Claims Administration services specific to the Childcare Assistance Program.

Currently, deposits and payments are made out of a separate bank account for the Flexible Benefits Claims Administration services specific to FLEXTRA health care and dependent care spending accounts. This is **not** a City account. The City deposits Employee payroll deductions on a bi-weekly payroll cycle basis.

**Question 4: What payroll system does the City of Austin use?**

Answer: Banner.

**Question 5: Please clarify the three retirement systems. Is the ERS you mentioned earlier the same as the State of Texas ERS?**

Answer: The City's Retirees belong to one of three pension (retirement) systems: City of Austin Employees' Retirement System (COAERS), City of Austin Police Retirement System, and the Austin Fire Fighters Relief and Retirement Fund. Although the acronyms are the same, the City's ERS pension system is not the same as the State's ERS pension system.

**Question 6: Will the City want to convert historical benefits data and if so, how many years back?**

Answer: The Employee Dental Assistance Plan will have some claims data transferred including: lifetime orthodontia accumulators or any codes that have a 5 year limitation of coverage such as dentures, bridges, crowns, or orthodontia appliances.

**Question 7: Can you please provide last year's benefit support call volumes. Please provide further detail on call types, if available.**

Answer: This information is not available.

**Question 8: What is the historical retirement rate?**

Answer: For terminations processed in calendar year 2010, approximately 50% were for retirements; for terminations processed in calendar year 2011, approximately 45% were retirements.

**Question 9: Are there any other language requirements for the call center?**

Answer: The Eligibility Administration Contractor must have customer service staff that can speak Spanish during the annual Open Enrollment period to answer benefits questions from Spanish speaking participants. All administration service Contractors are required to provide a TTY line.

**Question 10: Does the City's payroll system split payroll deductions by benefit or does it make one lump sum payment?**

Answer: For each deduction code (as listed on Exhibit 3 – Employee Benefits Deduction Codes) that is keyed into an Employee's record, the payroll file (as listed on Exhibit 5 – Payroll File Layout) reports each benefits deduction code separately with applicable Employee amount or Employer amount for every employee.

**Eligibility Administration Service Questions:**

**Question 1: Does the City have a web based enrollment system?**

Answer: The current Contractor, CompuSys/Erisa Group Inc., provides a web based enrollment system for Employees and Retirees to access during Open Enrollment to make benefits changes. During the rest of the year, Employees and Retirees must come into the Employee Benefits office and complete Benefits Enrollment Forms for all qualifying event changes.

**Question 2: Does the vendor provide dependent eligibility verification? Are there other eligibility activities the City wants to maintain?**

Answer: The City determines eligibility for Employees, Retirees and dependent. The City determines effective dates, verifies benefit categories based on employment, and verifies appropriate documentation. The Eligibility Administration Contractor will perform validity checks for appropriate coverage (such as verification of eligibility age or double coverage).

**Question 3: Will the City want a list of dependent reaching the eligibility age limit?**

Answer: Yes. Please see Section 0500, Paragraph 4.11 and Paragraph 4.14.

**Self-Funded Dental Plan Claims Administration Service Questions:**

**Question 1: What is happening with the fully insured retiree dental plans?**

Answer: Retirees participate in one of two fully insured Retiree dental plans and will not be eligible for the Employee Dental Assistance Plan, unless they are on COBRA following termination.

**Question 2: In the Section 0500, Paragraph 6.10 – Reporting, the City requires the utilization reporting to be broken down by various categories. How do we determine each Covered Person's category?**

Answer: The Eligibility Administration Contractor works with each of the City's benefit vendors to determine the structure coding for the 834 HIPAA File setup. The structure coding would determine the Covered Person's "category" for reporting purposes.

**Question 3: Can the number of dental claims be included in the monthly claims report?**

Answer: Please see Exhibit 13 – the Employee census as of January 2012, and Exhibit 14 – the Employee Dental Assistance Plan claims data for calendar year 2010 and 2011. The reports show the number of claimants for each reporting month, not the number of claims processed.

**Question 4: For the Self-Funded Dental Plan Claims Administration service, can the City provide a census document which includes: Coverage Type, Home Zip Codes, Gender, DOB, and Plan Selection?**

Answer: Please see Exhibit 13 – the Employee census as of January 2012.

**Question 5: For the Self-Funded Dental Plan Claims Administration service, can the City provide the Carrier History within past 5 years?**

Answer: The City's Employee Dental Assistance Plan is a self-funded benefit. The dental claims administrator for the past 5 years has been CompuSys/Erisa Group Inc.

**Question 6: For the Self-Funded Dental Plan Claims Administration service, can the City provide a report for the past 24 months of Month by Month Claims?**



Answer: Please see Exhibit 13 – Employee census as of January 2012, and Exhibit 14 the Employee Dental Assistance Plan claims data for calendar year 2010 and 2011. This reports show the number of claimants for each reporting month, not the number of claims processed.

**COBRA, Continuation of Coverage for Domestic Partners, and Self-Pay Administration Service Questions:**

**Question 1: Are other methods of payment allowed other than coupon books for Self-Pay participants?**

Answer: The City requires the Contractor to provide enrolled participants coupon books for making manual payments. However, vendors are welcome to propose additional forms of payment arrangement options. Proposer must indicate any additional participant or City cost for optional payment arrangements.

**Question 2: How many COBRA eligible events per year over last 3 years?**

Answer: Over the last year, the City had an average of 130 qualifying event letters produced monthly.

**Flexible Benefits Claims Administration Service Questions:**

**Question 1: Please provide volumes for HRA and HSA accounts.**

Answer: The City is considering implementing either a HRA or HSA program but does not currently have either program in place.

**Question 2: Is the City open to FLEXTRA claim payments more frequently than once a week?**

Answer: Yes.

**Attachment 1 Cost Sheet Questions:**

**Question 1: If we propose fee caps for each of the extension periods listed on the cost sheet, will the City use the high end of the fee caps for evaluation purposes?**

Answer: Yes. When evaluating the cost of all proposals, the guaranteed maximum fee cap proposed will be used to calculate the cost over the full length of the contract. It is important to note that if a vendor is awarded the contract the extension options cannot exceed the fee cap guarantees. However, the extension options could be less than the guaranteed fee cap.

**Question 2: If there are additional COBRA fees than what are allowed on the cost sheet how are they shown?**

Answer: All required services included in this solicitation must be included in the quoted fee to the City unless otherwise notated and must be inclusive of labor, materials, supplies, printing, travel and all costs and fees including administrative burden for providing these services.

However, if Proposer is providing service alternatives (such as ACH payments for Self-Pay Retiree coverage) in addition to the requirements listed in this solicitation, Proposer should indicate on the cost sheet additional costs.



**Question 3:** If the number of enrollees changes due to the City absorbing another organization, how does that affect the quoted rates?

**Answer:** All fees must be guaranteed regardless of enrollment per plan year. However, if there was a significant change in the number of Covered Persons, the City would be required to bid the services out again.

**Question 4:** Please identify current fees associated with all four categories of *Requested Services* (including but not limited to per employee, per participant, Flex Card, Dental Administration, discrimination testing, Plan Doc creation, customization/ad hoc requests, printing, eligibility system, web enrollment system, qualifying event notifications, per continuant, new hire notice, confirmation statements mailings, Open Enrollment hard copy communications, etc.).

**Answer:** Attachment 1 Cost Sheet includes all fees associated with the current contract, except for the Health Reimbursement Account or Health Savings Account Administration.

**Performance Measures and Guarantees Questions:**

**Question 1:** Are there any Performance Measures in the current contract?

**Answer:** Yes.

**Question 2:** How does the City measure implementation satisfaction?

**Answer:** The City's benefits and purchasing staff will be surveyed after implementation is completed to review all issues including contract negotiations, implementation timelines are adhered to, administrative manuals are produced, etc.

**Question 3:** Are Employees surveyed regarding satisfaction?

**Answer:** The City has cultivated an environment with Employees and Retirees in which the City's benefit staff are the first point of contact when there are questions or issues for any of the City's benefit programs. The City's benefit staff is surveyed quarterly to review overall satisfaction of each benefit program. The City's satisfaction will be based on whether Employees/Retirees were affected by a Contractor's actions.

2. Exhibit 13 and Exhibit 14 are hereby added to this solicitation.

3. All other terms and conditions shall remain the same.

APPROVED BY: Signed copy available in Purchasing Office

Jeff Dilbert, (512) 974-2021

Purchasing Office, Finance and Administrative Services Department

ACKNOWLEDGED BY:

Compu Sys/Chris A Thomas 5/25/2012  
BIDDER AUTHORIZED SIGNATURE DATE

RETURN ONE (1) COPY TO PURCHASING OFFICE, CITY OF AUSTIN, PRIOR TO CLOSING DATE OR WITH YOUR PROPOSAL; FAILURE TO DO SO MAY CONSTITUTE GROUNDS FOR REJECTION OF YOUR PROPOSAL.

REQUEST FOR PROPOSAL NO. JSD0124  
CITY OF AUSTIN PURCHASING OFFICE BENEFIT PLANS ADMINISTRATION  
Attachment 1 Cost Sheet

Para.#	Requested Service	2013	2014	2015	2016	2017	2018	2019
<b>4.0</b>	<b><u>Eligibility Administration</u></b>							
	Employee Eligibility	Monthly Fee per Enrolled Employee	<u>\$2.09</u>	<u>\$2.09</u>	<u>\$2.09</u>	<u>\$2.13</u>	<u>\$2.13</u>	<u>\$2.13</u>
	Retiree Eligibility	Monthly Fee per Enrolled Retiree	<u>\$2.27</u>	<u>\$2.27</u>	<u>\$2.27</u>	<u>\$2.32</u>	<u>\$2.32</u>	<u>\$2.32</u>
<b>5.0</b>	<b><u>COBRA, Continuation of Coverage for Domestic Partners (CCDP), and Self-Pay Administration</u></b>							
	COBRA and CCDP Administration	Monthly Fee per Enrolled Participant	<u>\$6.51</u>	<u>\$6.51</u>	<u>\$6.51</u>	<u>\$6.64</u>	<u>\$6.64</u>	<u>\$6.64</u>
	COBRA and CCDP Qualifying Event Letters	Fee per letter	<u>\$7.99</u>	<u>\$7.99</u>	<u>\$7.99</u>	<u>\$7.99</u>	<u>\$7.99</u>	<u>\$7.99</u>
	Self-Pay Administration	Monthly Fee per Enrolled Participant	<u>\$2.27</u>	<u>\$2.27</u>	<u>\$2.27</u>	<u>\$2.32</u>	<u>\$2.32</u>	<u>\$2.32</u>
<b>6.0</b>	<b><u>Self-Funded Dental Plan Claims Administration</u></b>							
	Dental Claims Administration	Monthly Fee per Enrolled Employee	<u>\$2.96</u>	<u>\$2.96</u>	<u>\$2.96</u>	<u>\$3.02</u>	<u>\$3.02</u>	<u>\$3.02</u>
<b>7.0</b>	<b><u>Flexible Benefits Claims Administration</u></b>							
	FLEXTRA Health Care Claims Administration	Monthly Fee per Enrolled Employee	<u>\$3.18</u>	<u>\$3.18</u>	<u>\$3.18</u>	<u>\$3.24</u>	<u>\$3.24</u>	<u>\$3.24</u>
	FLEXTRA Health Care Debit/Credit Card	Monthly Fee per Enrolled Employee	<u>\$1.00</u>	<u>\$1.00</u>	<u>\$1.00</u>	<u>\$1.00</u>	<u>\$1.00</u>	<u>\$1.00</u>
	FLEXTRA Dependent Care Claims Administration	Monthly Fee per Enrolled Employee	<u>\$3.18</u>	<u>\$3.18</u>	<u>\$3.18</u>	<u>\$3.24</u>	<u>\$3.24</u>	<u>\$3.24</u>
	Childcare Assistance Program Claims Administration	Monthly Fee per Enrolled Employee	<u>\$3.18</u>	<u>\$3.18</u>	<u>\$3.18</u>	<u>\$3.24</u>	<u>\$3.24</u>	<u>\$3.24</u>
	Health Reimbursement Account Administration (see note below)	Monthly Fee per Enrolled Employee	<u>\$3.18</u>	<u>\$3.18</u>	<u>\$3.18</u>	<u>\$3.24</u>	<u>\$3.24</u>	<u>\$3.24</u>
	Health Savings Account Administration (see note below)	Monthly Fee per Enrolled Employee	<u>\$3.18</u>	<u>\$3.18</u>	<u>\$3.18</u>	<u>\$3.24</u>	<u>\$3.24</u>	<u>\$3.24</u>

Note: The Health Reimbursement/Health Savings Account Administration Proposed fees will not be included in the evaluation of the overall Cost/Rates

1. The Contractor must provide either fee guarantees or fee caps (fees with a maximum percentage increase) for each extension option.
2. The Contractor must guarantee fees regardless of enrollment per plan year
3. All required services included in this solicitation must be included in the quoted fee to the City unless otherwise notated and must be inclusive of labor, materials, supplies, printing, travel, and all costs and fees including administrative burden for providing these services.
4. All fees must be firm regardless of the Contractor receiving any or all services including any services referred to but not yet implemented.
5. Contractors have the option to non-renew on an annual basis. Notice of non-renewal must be sent to the City by March 15th.

CompuSys/Erisa Group, Inc.  
Corporate Name of Proposer

  
Authorized Signature

5/26/2012  
Date

### **3.0 GENERAL REQUIREMENTS FOR ALL REQUESTED SERVICES**

**The following is a restatement and confirmation of CompuSys/Erisa Group, Inc.'s acceptance of and its current and ongoing ability to perform each requirement in Section 0500 Paragraphs 3.1 through 3.11.4 of RFP No.JSD0124.**

- 3.1 Proposer will submit a proposal that includes all Covered Persons.
- 3.2 Cost Information
  - 3.2.1 The Contractor must provide either fee guarantees or fee caps (fees with a maximum percentage increase) for each extension option.
  - 3.2.2 The Contractor must guarantee fees regardless of enrollment per plan year.
  - 3.2.3 All required services included in this solicitation must be included in the quoted fee to the City unless otherwise notated, and must be inclusive of labor, materials, supplies, printing, travel, and all costs and fees including administrative burden for providing these services.
  - 3.2.4 The Contractor has the option to non-renew on an annual basis. Notice of non-renewal must be sent to the City by March 15<sup>th</sup> for the following contract period.
  - 3.2.5 All fees must be firm regardless of the Contractor receiving any or all services including any services referred to but not yet implemented.
- 3.3 Financial Information
  - 3.3.1 Currently, deposits and payments are made out of the City's zero balance account (ZBA) for the following administration services: 1) COBRA, Continuation of Coverage for Domestic Partners, and Self-Pay Administration, 2) Self-Funded Dental Plan Claims Administration, and 3) Flexible Benefits Claims Administration services specific to the Childcare Assistance Program.
  - 3.3.2 Currently, deposits and payments are made out of a separate bank account for the Flexible Benefits Claims Administration services specific to the health care and dependent care spending accounts. This is **not** a City account.
  - 3.3.3 The Contractor must work with the City's Financial Services Department to implement procedures for banking arrangements, wire transfers, and bank reconciliations. Contractor must comply with the bank's process to eliminate check fraud.
  - 3.3.4 The Contractor must comply with the State of Texas unclaimed property requirements.
  - 3.3.5 The Contractor must provide 1099 functions in accordance with timelines and regulations established by the IRS.
  - 3.3.6 The Contractor must provide monthly invoices for administrative services with:
    - 3.3.6.1 Non-duplicated invoice number
    - 3.3.6.2 Vendor name and address exactly as it appears on the City's Vendor Registration System
    - 3.3.6.3 Itemized listing of services rendered
    - 3.3.6.4 Invoice Date

Invoices will be submitted to the contract contact person by the 10<sup>th</sup> of the month. Payment will be made to the Contractor after City staff have reviewed and approved the invoice in accordance with the payment terms stated in Section 0300 of the solicitation.

3.4 Fiduciary Responsibility (this does not apply to Eligibility Administration)

The Contractor will be the named fiduciary with respect to:

- 3.4.1 Performing premium payment processing.
- 3.4.2 Performing fair and impartial review of initial appeals.
- 3.4.3 Performing fair and impartial review of final appeals.

As such, the City delegates to the Contractor the discretionary authority to:

- 3.4.4 Construe and interpret the terms of the Plan.
- 3.4.5 Determine the validity of charges submitted under the Plan.
- 3.4.6 Make final, binding determinations concerning the availability of Plan benefits.

3.5 Customer Service

- 3.5.1 The Contractor's customer service must include, at a minimum: verification of eligibility and benefits, claims inquiries and problem resolution.
- 3.5.2 The Contractor must have a toll-free telephone number and a TTY line.
- 3.5.3 The Contractor's telephone system must have the capability to prompt-out to speak to a customer service person.
- 3.5.4 The Contractor must have customer service staff available to answer questions Monday through Friday from 7:30 a.m. to 5:00 p.m. Central Time.
- 3.5.5 The Contractor must assign designated staff for the City's account.
- 3.5.6 The Contractor must respond to telephone calls and electronic mail from City staff within one business day.

### 3.6 Transition and Implementation Timelines

- 3.6.1 The Contractor must work with current vendor to ensure all required information is received to ensure no disruption in service.
- 3.6.2 Within 30 days of contract award, the Contractor must meet with the City to finalize administrative procedures, expectations and program implementation. Within 30 days of the meeting, the Contractor must provide the City with four copies of an administrative manual detailing the administrative procedures and expectations as agreed upon during the meeting.
- 3.6.3 The Contractor must provide training and education sessions for City benefits staff concerning all facets of program administration. The Contractor may be requested to attend quarterly employer-requested meetings and presentations.
- 3.6.4 The Contractor's systems must verify eligibility, benefits, and process claims, as of 12:01 a.m. on January 1, 2013.
- 3.6.5 At the end of the contract period, the Contractor will be required to cooperate with any successful Contractor(s) regarding claims and eligibility data transmission to ensure no disruption in services.

### 3.7 Communications

- 3.7.1 The Contractor must provide required written communication materials including, but not limited to: enrollment materials, plan documents, and identification cards. Materials and communications must be approved by City staff prior to distribution and formatted in easy to understand language.
- 3.7.2 All communication materials may be reprinted and used in the City's Employee and Retiree communications.
- 3.7.3 The Contractor must supply approximately 5,000 copies of general written communication materials during Open Enrollment and throughout the year (this does not apply to the Eligibility Administration). Materials are to be delivered to the City, by the second Friday of September for each plan year.
- 3.7.4 The City prefers that materials be printed on recycled paper in accordance with EPA guidelines (reference Section 0400, Paragraph 6).

### 3.8 Auditing

- 3.8.1 The Contractor must perform internal audits and provide a report of the results to the City on a quarterly basis.
- 3.8.2 The Contractor must perform audits of all system overrides and provide a report of the results to the City on a quarterly basis.
- 3.8.3 The Contractor must have a separate unit or individual, not involved in claims processing, perform fraud investigations when necessary.
- 3.8.4 The City may perform audits, at their discretion, with the Contractor absorbing its own cost for the audit and the City absorbing the cost of its audit team.
- 3.8.5 The Contractor must allow the City to audit or designate an independent third party to audit. The City's auditors may examine all related documentation including contracts, tapes/files and/or on-site records and transactions relating to the Services provided to the City.



- 3.8.6 The Contractor must reimburse the City for any amounts identified as paid incorrectly during the audit (claims in sample and all other similar claims). The Contractor must not seek reimbursement from Covered Persons for claims paid incorrectly during a previous plan year.
- 3.8.7 Audits may continue up to three years after termination of the contract.
- 3.8.8 On an annual basis, Contractor(s) must have a duly licensed and certified external auditing firm perform a SSAE-16 report (formerly known as a SAS-70). This requirement applies only to the Self-Funded Dental Plan Claims Administration.

### 3.9 Data Management

- 3.9.1 The Contractor must accept both the Covered Persons' Social Security Number and identifier determined by the City.
- 3.9.2 The Contractor must be able to assign an identifier other than the Covered Persons' Social Security Number and employee identification number.
- 3.9.3 The Contractor must accept enrollment information electronically on a bi-weekly basis in the 834 file format required by HIPAA.
- 3.9.4 The Contractor must provide real time web-based eligibility access to City benefits staff and the City's benefit vendors to view eligibility, benefit elections and dependent information for all Covered Persons.
- 3.9.5 The Contractor must maintain a secure delivery system for the purposes of transmitting and receiving confidential electronic information with the City and its benefit vendors.
- 3.9.6 The Contractor must provide a secure method to transport paper documentation.
- 3.9.7 The Contractor must have a disaster recovery program in place to ensure the integrity of data in case of a disaster.

### 3.10 Maintenance of Records

The Contractor must agree to maintain all files for a minimum period of three years after termination of the contract. All files are the property of the City. Under no circumstances may the Contractor transfer or purge these records without authorization from the City. In the event of the transfer of purged records from Contractor to the City, the following conditions will apply:

- 3.10.1 Notice for the timely and orderly transfer of files must be given by the City in writing 30 days prior to the transfer.
- 3.10.2 The transfer must occur within the 30-day limit established by the City.
- 3.10.3 All information must be transferred electronically. The Contractor must provide a report of all files transferred.

### 3.11 Federal, State and Local Laws

- 3.11.1 The Contractor must administer the benefit plans in strict compliance with applicable federal, state and local laws.
- 3.11.2 Facilities and equipment must be accessible and in compliance with Americans with Disabilities Act (ADA) requirements.

- 3.11.3 If a federal, state, or local law requires distribution of information to Covered Persons, the Contractor must distribute such information directly to Covered Persons' home address.
- 3.11.4 The Contractor must monitor, on an ongoing basis, federal and state legislative activity and inform the City of all bills under consideration that could potentially affect the City's ability to provide benefits to Covered Persons.

The following is a restatement and confirmation of CompuSys/Erisa Group, Inc.'s acceptance of and its current and ongoing ability to perform each requirement in Section 0500 Paragraphs 4.1 through 4.15.68 of *RFP No. JSD0124*.

## **ELIGIBILITY ADMINISTRATION**

### **Administration Requirements**

- 4.1 The City determines eligibility and the Contractor must agree to abide by the City's policies and procedures regarding eligibility and coverage effective dates for all Covered Persons. **Refer to Exhibit 1: 2012 Employee Benefits Guide and Exhibit 2: 2012 Benefits Enrollment Guide for Retirees and Surviving Spouses.**
- 4.2 The Contractor must maintain enrollment and eligibility data for all benefits by file transfer and data entry.
- 4.3 The Contractor must load the full eligibility file received from the current eligibility vendor for all Covered Persons during the vendor transition.
- 4.4 The Contractor must maintain eligibility records/history for all Covered Persons.
- 4.5 The Contractor must be able to accept the City's Benefits Enrollment forms.
  - 4.5.1 Benefits Enrollment forms must be maintained and be available upon City request.
  - 4.5.2 The Contractor must update the eligibility system within two business days of any information/data received.
- 4.6 **Employee Eligibility**

### **Background**

Benefit deductions are processed bi-weekly through the City. A Payroll File is generated and transferred to the Eligibility Contractor within three business days after pay period ends. The City has a monthly average of 50 new hires, 50 terminations, and 150 benefits enrollment changes.

**The Contractor's eligibility system must do the following with respect to Employee eligibility:**

- 4.6.1 The Contractor must use benefit deduction codes as defined in **Exhibit 3: Employee Benefits Deduction Codes.**
- 4.6.2 Contractor must key and track all data included on the Benefits Enrollment Forms. **Refer to Exhibit 11: Employee Benefits Enrollment Form.**
- 4.6.3 The Contractor must key and track additional information not included on the Benefits Enrollment forms.
  - 4.6.3.1 Benefit Premiums and/or rate
  - 4.6.3.2 FLEXTRA Health Care annual election amount
  - 4.6.3.3 FLEXTRA Dependent Care annual election amount
  - 4.6.3.4 Additional demographic information (email address, cell and work phone number)

- 4.6.3.5 Employees with Qualified Medical Child Support Orders (QMCSO)
- 4.6.3.6 Separate address for dependent(s), if needed per QMCSO
- 4.6.3.7 Health Reimbursement Account (HRA) amounts
- 4.6.3.8 Childcare Assistance Program (CAP) weekly and annual amounts for each approved dependent
- 4.6.4 The Contractor must capture and track additional information received from the City's Payroll File.
  - 4.6.4.1 Employee's eight-digit employee identification number (EIN)
  - 4.6.4.2 Division/Location Code (separate number as noted on Benefits Enrollment Form)
  - 4.6.4.3 Benefit Category
  - 4.6.4.4 Annual Salary
  - 4.6.4.5 Basic Life and Supplemental Life Insurance volume
  - 4.6.4.5 Short Term and Long Term Disability volume
- 4.6.5 The Contractor must be able to calculate and track the employee's premium for Basic Life, Supplemental Life, Short Term Disability, and Long Term Disability based on receiving the following information:
  - 4.6.5.1 Rate
  - 4.6.5.2 Annual Salary
  - 4.6.5.3 Volume
- 4.6.6 The Contractor must key, track, and have reporting capabilities for all information received from the City's benefits staff, the City's Payroll File, and the Benefits Enrollment forms.
- 4.6.7 The Contractor must key and track benefits for Employees who have returned back to employment with the City and have benefits as both an Employee and a Retiree.
- 4.6.8 Perform double coverage validity checks for all Covered Persons based on the following eligibility rules:
  - An individual is not eligible to be covered as both an Employee and a Retiree, for the same benefit.
  - An individual is not eligible to be covered as both an Employee or Retiree and as a dependent of an Employee or Retiree, for the same benefit.
  - An individual is not eligible to be covered as a dependent of more than one Employee or Retiree for the same benefit.

#### 4.7 Retiree Eligibility

##### Background

The City administers benefits for Retirees. Benefit deductions are processed monthly through the Pension Systems, in which Annuity Files are generated. The City has a monthly average of 50 new Retirees and 50 benefits enrollment changes.

The Contractor's system must do the following with respect to Retiree eligibility:

- 4.7.1 The Contractor must use benefit deduction codes as defined in **Exhibit 4: Retiree Benefits Deduction Codes**.

- 4.7.2 The Contractor must key and track all data included on the Benefits Enrollment forms. Refer to **Exhibit 12: Retiree Benefits Enrollment Form**.
  - 4.7.3 The Contractor must key and track additional information not included on the Benefits Enrollment forms:
    - 4.7.3.1 Retiree Personal Identification Number
    - 4.7.3.2 Benefit Premiums and/or rate
    - 4.7.3.3 Additional demographic information (email address, cell and work phone number)
  - 4.7.4 The Contractor must key, track, and have reporting capabilities for all information received from the City's benefits staff, the Pension Systems Annuity Files, and the Benefits Enrollment forms.
  - 4.7.5 The Contractor must key and track benefits for Retirees who have returned back to employment with the City and have benefits as both an Employee and a Retiree.
  - 4.7.6 Perform double coverage validity checks for all Covered Persons based on the following eligibility rules:
    - An individual is not eligible to be covered as both an Employee and a Retiree, for the same benefit.
    - An individual is not eligible to be covered as both an Employee or Retiree and as a dependent of an Employee or Retiree, for the same benefit.
    - An individual is not eligible to be covered as a dependent of more than one Employee or Retiree for the same benefit.
- 4.8 Contractor's Employee and Retiree Eligibility Website
- 4.8.1 The Contractor must have an eligibility website accessible to the City's benefits staff, Employees, and Retirees. The website must provide the following information "real time":
    - 4.8.1.1 Demographic/Address Information
    - 4.8.1.2 Benefits Elections
    - 4.8.1.3 Benefits Premiums
    - 4.8.1.4 Covered Dependents
  - 4.8.2 Website must have a secure log in.
    - 4.8.2.1 For Employees, the Contractor must use the City's employee identification number (EIN) and portion of Social Security Number for log in access.
    - 4.8.2.2 For Retirees, the Contractor must use a system generated personal identification number for log in access.
- 4.9 Payroll and Annuity Files
- 4.9.1 Payroll File: The Contractor must comply with the City's Payroll File specifications to send and/or receive electronic transmission of payroll data on a weekly basis. Payroll File will include demographic data, employment status, benefit category, and benefit deductions data. The Contractor must accept Payroll File layout as defined in **Exhibit 5: Payroll File Layout**.
  - 4.9.2 Annuity Files: The Contractor must comply with each of the Pension Systems Annuity File specifications to send and/or receive electronic transmission of benefits enrollment data on a monthly or year-end basis.



Annuity Files will include demographic data and benefit deductions data.  
The Contractor must accept Annuity File layout as defined in **Exhibit 6:  
Annuity File Layout.**

#### 4.10 834 HIPAA File

The Contractor must develop an electronic transmission of data interface that complies with the specifications agreed upon by the City and the City's benefit vendors to provide enrollment information and updated eligibility records electronically on a bi-weekly basis in the 834 file layout format required by HIPAA. The Contractor must send the 834 HIPAA File within five business days of receiving Payroll File. The Contractor will be responsible for the accuracy and timeliness of all information submitted to the City's benefit vendors.

#### 4.11 Eligibility Age

4.11.1 The Contractor must notify Employee's/Retiree's when their dependents are reaching the eligibility age limit as defined by the City. Notification letters must be sent to Employee's/Retiree's mailing address 60 days prior to the dependent reaching the age limit. On average, the City has 50 dependents that receive the monthly notification.

4.11.2 The Contractor must notify Retiree when either the Retiree or their covered spouse/domestic partner – who are enrolled in medical coverage – are reaching the Medicare eligibility age as defined by the Social Security Administration. Notification letters must be sent to the Retiree's mailing address 90 days prior to the Retiree Covered Person reaching the eligibility age. On average, the City has 25 Retirees that receive the monthly notification.

#### 4.12 Beneficiary Designation Information

The City may consider developing and implementing an electronic process of tracking beneficiary designations during the contract period. The Contractor must work with the City to develop an electronic transmission of data interface to share beneficiary designation information with the City.

#### 4.13 Reconciliations

##### 4.13.1 Employees

4.13.1.1 The Contractor will receive the City's employment termination benefits report (Term Report) and the Payroll File three business days after each pay period ends. The Contractor must update the eligibility system accordingly.

4.13.1.2 The Contractor must produce an Employee Discrepancy Report by comparing the Contractor's eligibility data against the Payroll File for each Employee benefit program.

4.13.1.3 The Contractor must send the Employee Discrepancy Report electronically to the City within three business days of receiving the Payroll File.

##### 4.13.2 Retirees

4.13.2.1 The Contractor will receive the City's monthly Retiree benefits changes report by the 25<sup>th</sup> of each month and the Contractor must update the eligibility system accordingly.

4.13.2.2 The Contractor will receive each of the Pension System's monthly Annuity Files by the last business day of the month.

- 4.13.2.3 The Contractor must produce one combined Retiree Discrepancy Report by comparing the Contractor's eligibility data against the Annuity Files for each Retiree benefit program.
- 4.13.2.4 The Contractor must send the Retiree Discrepancy Report electronically to the City within three business days of receiving the Annuity Files.
- 4.13.3 834 HIPAA File
  - 4.13.3.1 The Contractor will receive 834 HIPAA File transmission error reports within two business days of sending the bi-weekly 834 HIPAA File to the City's benefit vendors.
  - 4.13.3.2 The Contractor must reconcile and resolve errors within two business days.

#### 4.14 Reporting

- 4.14.1 All reports provided to the City must be available electronically.
- 4.14.2 The Contractor must provide an Employee and Retiree monthly enrollment summary report by the 10<sup>th</sup> of each month to the City. The Contractor must produce enrollment summary report with similar formatting as defined in **Exhibit 7: Summary Enrollment Report**.
- 4.14.3 The Contractor must provide a monthly report listing all Employee's/Retiree's dependents who will be reaching the age limit for eligibility as defined by the City. Report must be sent to the City 60 days prior to Employee's/Retiree's dependent who will be reaching the age limit.
- 4.14.4 The Contractor must provide a monthly report listing all Retiree Covered Persons enrolled in medical coverage who will be reaching the Medicare eligibility age as defined by the Social Security Administration. Report must be sent to the City 90 days prior to the Retiree Covered Person reaching the eligibility age.
- 4.14.5 The Contractor must provide a monthly discrepancy report listing double coverage for Covered Persons for any benefit.
- 4.14.6 The Contractor must have reporting capabilities for all information provided on the Payroll File, Annuity Files, and all Benefits Enrollment forms.
- 4.14.7 The Contractor must provide ad hoc reports as requested by the City.

#### 4.15 Open Enrollment

Successful Contractor will assume annual Open Enrollment activities in January 2013.

##### 4.15.1 Benefits Coverage Information Statement (Statement):

This individualized Statement includes general Open Enrollment information. The City will determine a specific pay period to use for the Statement information (typically mid-September.)

- 4.15.1.1 The Contractor must produce an annual Statement for each Employee and Retiree enrolled in at least one benefit.
- 4.15.1.2 The Contractor must customize the Statement for the City to include at a minimum:
  - 4.15.1.2.1 Information about Open Enrollment.

- 4.15.1.2.2 Web-based enrollment system user name and password.
- 4.15.1.2.3 Name, mailing address, date of birth, and City assigned department/division/location coding.
- 4.15.1.2.4 A list of all benefits available, current elections, Covered Persons with new premiums.
- 4.15.1.2.5 Employee Statements must include calculated premiums for basic life, supplemental life, short term disability and long term disability coverage using annual salary and new rates provided by the City.
- 4.15.1.3 Employee Statements must be printed, stuffed and sorted by: department – divisions – locations and then in alphabetical order.
- 4.15.1.4 Retiree Statements must be sorted by zip code and then in alphabetical order.
- 4.15.1.5 Statements must be delivered within 10 calendar days for the City to distribute.
- 4.15.1.6 The Contractor must provide reports of all Statements, separated by Employees and Retirees. Reports will be provided to the City on CD's or flash drives for distribution to every department. The City currently has 60 departments.
- 4.15.2 Web-based Enrollment System
  - 4.15.2.1 The Contractor must customize the enrollment system for the City.
  - 4.15.2.2 City benefits staff must be able to test system prior to the beginning of Open Enrollment.
  - 4.15.2.3 Website must be fully operational the first day of Open Enrollment and be available 24 hours a day, 7 days a week during Open Enrollment.
  - 4.15.2.4 Website must have a secure log in.
    - 4.15.2.4.1 For Employees, the Contractor must use the City's employee identification number (EIN) and portion of Social Security Number for log in access.
    - 4.15.2.4.2 For Retirees, the Contractor must use a system generated personal identification number for log in access.
  - 4.15.2.5 Website must include personal information; list all benefits available, current benefits elected, Covered Persons for each benefit, and new premiums.
  - 4.15.2.6 Website must have capability to:
    - 4.15.2.6.1 Update Employee/Retiree personal information.
    - 4.15.2.6.2 Add or drop coverage for themselves or dependents for any benefit. System must validate eligibility for benefit elections (such as benefit category status and dependent age).
    - 4.15.2.6.3 Confirm and print confirmation of benefit elections.
    - 4.15.2.6.4 Include internet links to: presentation schedules, video presentations, coordinator list, benefit forms and documents, and other links determined by the City.

- 4.15.2.6.5 Link to interactive calculators for life insurance coverage options, disability insurance, and Flexible Benefit spending accounts.
    - 4.15.2.6.6 Date/time stamp changes made by user.
  - 4.15.2.7 City benefits staff must have access to enrollment system to make benefit changes during Open Enrollment and after Open Enrollment ends to key late enrollment changes.
- 4.15.3 The Contractor must provide a toll-free telephone number for Open Enrollment benefit changes for English and Spanish speaking participants.
- 4.15.4 Confirmation of Coverage Statement (Confirmation Statement)
  - 4.15.4.1 The Contractor must produce a Confirmation Statement for Employees and Retiree participating in Open Enrollment. Confirmation Statement must:
    - 4.15.4.1.1 Include all information from the Coverage Information Statement.
    - 4.15.4.1.2 Include the date/time the change was made as well as the method (telephone or online).
    - 4.15.4.1.3 Be mailed within two business days of the Contractor's receipt of enrollment or change information.
    - 4.15.4.1.4 Be mailed to home address each time a benefits change is made during Open Enrollment.
  - 4.15.4.2 Contractor must produce a passive Confirmation Statement for Employees and Retirees **not** participating in Open Enrollment.
  - 4.15.4.5 The Contractor must provide reports on either a CD or a flash drive of all Confirmation Statements, separated by Employees and Retirees. Retiree report must be separated by retirement system, self-pay, and surviving spouses.
- 4.15.5 Open Enrollment files
  - 4.15.5.1 The Contractor must send the Open Enrollment 834 file to the City's benefit vendors within 10 calendar days after Open Enrollment ends. The Open Enrollment 834 file transmission error reports must be reconciled and resolved with the City's benefit vendors within two days.
  - 4.15.5.2 The Contractor must send the Employee Open Enrollment file to the City's Payroll and Benefits department within 10 calendar days after Open Enrollment ends. The Contractor must provide Open Enrollment data in the layout as defined in **Exhibit 8: Employee Open Enrollment File Layout.**
  - 4.15.5.3 Contractor must send the Retiree Open Enrollment file to the City and to the Pension Systems within 15 calendar days after Open Enrollment ends. Retiree file must be separated by retirement system, self-pay, and surviving spouses. The Contractor must provide Open Enrollment data in the layout as defined in **Exhibit 9: Retiree Open Enrollment File Layout.**
- 4.15.6 The Contractor must provide the following Open Enrollment reports:



- 4.15.6.1 Daily address changes report separated by Employee and Retiree.
- 4.15.6.2 Web-based enrollment system report listing benefit elections, date/time of change, and user making changes, separated by Employees and Retirees.
- 4.15.6.3 Retiree report listing current year benefit elections compared to Open Enrollment benefit elections. Report must be separated by retirement system, self-pay, and surviving spouses.
- 4.15.6.4 Qualified Medical Child Support Order report listing Employees with dependents that were dropped during Open Enrollment.
- 4.15.6.5 Double coverage report listing Covered Persons with double coverage for any benefit.
- 4.15.7.6 Age limit report listing all Covered Persons who enrolled during Open Enrollment and will be reaching the age limit for eligibility as defined by the City.
- 4.15.6.7 Medicare eligibility report listing all Retiree Covered Persons who enrolled in medical coverage during Open Enrollment and will be reaching the Medicare eligibility age as defined by the Social Security Administration.
- 4.15.6.8 Migration report.

**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Attachment 2 Business Organization Questionnaire**

Proposer must complete a separate Business Organization Questionnaire for each requested service.  
 Indicate which service this questionnaire applies to: Eligibility Administration

	<b><u>Question</u></b>	<b><u>Response</u></b>		
1.	Name of Company?	CompuSys/Erisa Group, Inc.		
2.	Name of Parent Company (if applicable)?	CompuSys of Utah		
3.	Location of corporate office?	Salt Lake City, Utah		
4.	Legal form of organization (corporation, partnership, non-profit, etc.)?	Class S Corporation		
5.	How long has your company provided this service?	Since 1968		
6.	Number of participating employer group clients?	<u>Under 5,000 lives</u> 3	<u>Over 5,000 lives</u> 2	
7.	Number of public sector clients?	There are 5 public sector clients		
8.	Number of total covered lives in:	<u>2010</u> 67,931	<u>2011</u> 66,922	<u>2012</u> 66,456
9.	Do you anticipate a merger or acquisition within the next 2 years?	CompuSys does not anticipate an acquisition or merger within the next 2 years.		
10.	Is there any litigation and/or government action pending, or has there been any taken or proposed against your company during the most recent five years?	There is not currently nor has there ever been any litigation and or government action pending, taken, or proposed against CompuSys/Erisa Group, Inc.		
11.	Has your company experienced any security breaches where PHI was obtained from your system in the last 24 months? If yes, how long did it take for you to notify impacted participants and their employer?	CompuSys/Erisa Group, Inc. has not experienced any security breaches where PHI was obtained from our system within the last 24 months.		
12.	Describe any subcontractor relationships your company intends to utilize in the performance of services proposed and how long the relationship has been in place.	CompuSys has no eligibility subcontractor relationships.		

Response to RFP No. JSD2014

Submitted by: CompuSys/Erisa Group, Inc.

Due Date: 5/30/2012

13.	Provide an organizational diagram that illustrates the legal relationship between all of the organizations involved in your proposed solution to this RFP. Provide at a minimum, the name of the organization, legal relationship, and the length of the relationship.	CompuSys has no legal relationships with any other organization as we are a sole-proprietorship.
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**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Attachment 3 Customer Service Questionnaire**

Proposer must complete a separate Customer Service Questionnaire for each requested service.  
 Indicate which service this questionnaire applies to: **Eligibility Administration**

	<u>Question</u>	<u>Response</u>		
1.	Location of customer service unit?	Summit Executive Suites 13706 Research Blvd. Suite 308 Austin, TX 78750		
2.	Total number of Customer Service Representatives (CSR)?	2		
3.	Number of CSR staff designated to the City?	2		
4.	Number of Spanish speaking CSRs designated to the City?	1		
5.	Target ratio of CSRs to enrolled participants?	2/5500 enrolled participants		
6.	Average daily number of incoming calls?	3-5 calls and/or e-mails/day		
7.	Average daily number of calls per CSR?	2		
8.	Do you record all incoming calls?	We record all complex problem calls and all calls transferred to management.		
9.	How many months of history are available to CSRs?	CSRs have access to all Active and Retiree Eligibility history from 1994 to present.		
10.	Abandonment rate?	<u>2009</u> <3%	<u>2010</u> <3%	<u>2011</u> <3%
11.	Average speed to answer in seconds?	< 30 seconds	< 30 seconds	< 30 seconds
12.	Member satisfaction level?	high	high	high
13.	First call resolution rate?	> 90%	> 90%	> 90%
14.	Turn over rate for customer service unit?	0%	50% - back-up covered until a replacement was hired	0%
15.	Average response time for resolving customer inquiries and complaints?	Within 1 business day	Within 1 business day	Within 1 business day

Response to RFP No. JSD0124

Submitted by: CompuSys/Erisa Group, Inc.

Due Date: 5/30/2012

16.	How do you measure Covered Person satisfaction?	Covered person satisfaction is measured by input from employees, retirees, providers & City Benefits Staff. We would like to do a COA approved customer satisfaction survey in 2013.
17.	How are complaints/problems handled and resolved?	<p>CSR 1<sup>st</sup> level</p> <p>CSR Manager – 2<sup>nd</sup> level</p> <p>Operations Manager – 3<sup>rd</sup> level</p> <p>Project Director – 4<sup>th</sup> level</p> <p>Any complaints not resolved within the above 4 levels are referred to the City's Benefits Division for guidance.</p>
18.	Total number of grievances filed within the last 12 months? Number pending? Number resolved?	No formal grievances filed within the last 12 months.
19.	What on-line services are available (i.e., email inquiries, claim status, provider directory, replacement ID cards, plan provisions, Explanation of Benefits, etc.)?	<p>Available online services include: email inquires, annual Open Enrollment and ongoing access to eligibility and dependent date for Benefit staff (updated bi-weekly). Enrollment is available on: <a href="https://coaopenrollment.com/viewsite">https://coaopenrollment.com/viewsite</a></p> <p>Enrollment information is also available on the Dental and Flextra websites.</p>
20.	List the various communications you can provide in Spanish? For example: 1) Confirmation of Coverage Statement, 2) COBRA notification letters, and 3) Dental claim EOB.	CompuSys has the capability of providing all employee, retiree, self-pay, domestic partner and COBRA communications in Spanish.



**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Attachment 4 Account Team Information**

Proposer must complete a separate Account Team Information document for each requested service. Indicate which service this information applies to: **Eligibility Administration**

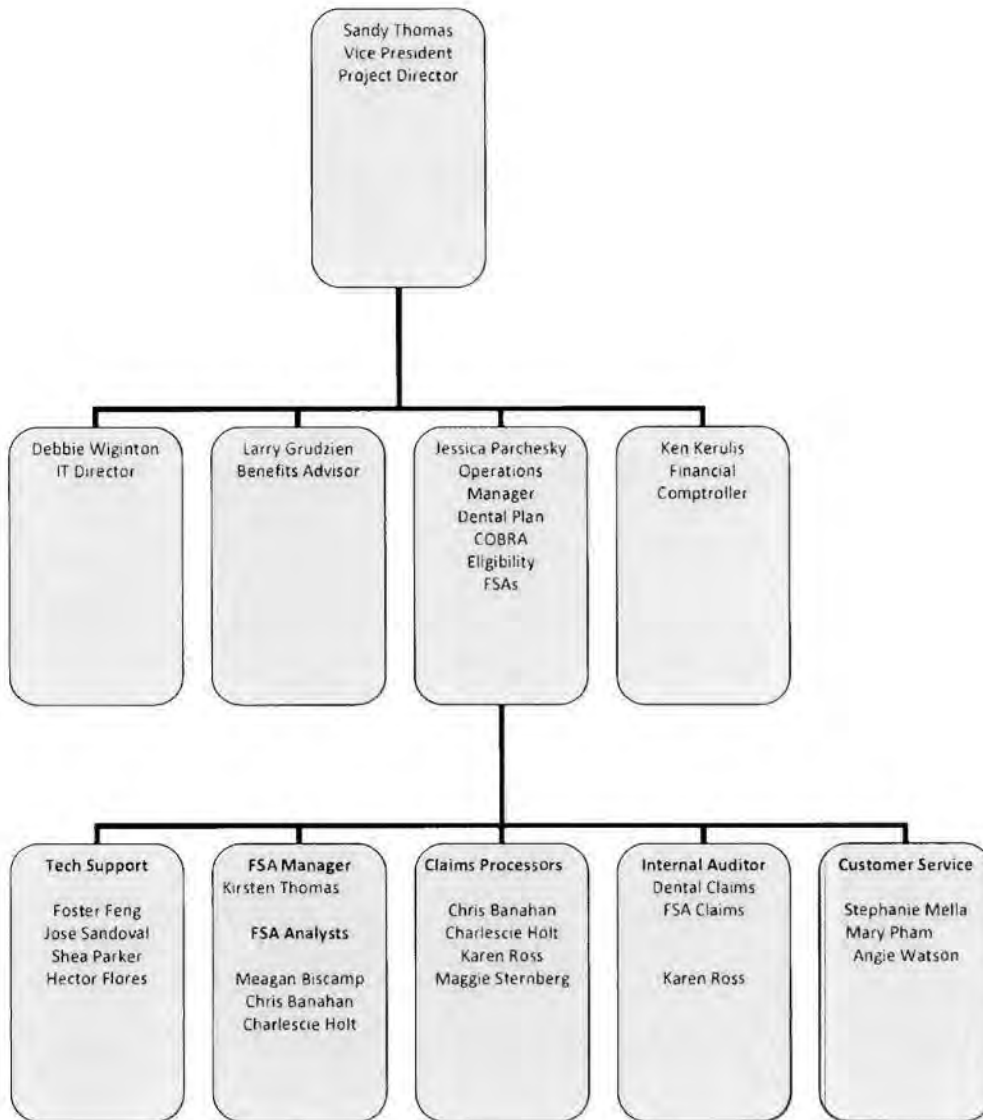
Provide a one-page diagram of your account team's service hierarchy, including employer contact pathways to include a resume for the proposed account team members.

**\* Our organization is small with a transparent hierarchy. We provide the City with ready access to all CompuSys/Erisa employees. A copy of our organizational chart is attached.**

<b>Account Team Staff</b>	<b><u>Response</u></b>
<b>Staff Name:</b>	Stephanie Mella
Location:	Austin, TX
Years with company:	1 year
Total number of accounts to service:	1
Percent of time dedicated to the City:	33 1/3%
<b>Staff Name:</b>	Angie Watson
Location:	Austin, TX
Years with company:	18 years
Total number of accounts to service:	2
Percent of time dedicated to the City:	25%
<b>Staff Name:</b>	
Location:	
Years with company:	
Total number of accounts to service:	
Percent of time dedicated to the City:	
<b>Staff Name:</b>	
Location:	
Years with company:	
Total number of accounts to service:	
Percent of time dedicated to the City:	

## Organization Chart

### CompuSys/Erisa Group, Inc.



**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Attachment 5 System Capabilities Questionnaire**

Proposer must complete a separate System Capabilities Questionnaire for each requested service.  
 Indicate which service this questionnaire applies to: Eligibility Administration

	<u>Question</u>	<u>Response</u>
1.	What is the name of the system?	CEBAS SENSIBLE is a Windows-based system developed & supported on-site Using but not limited to the following software:VB.Net,SQL,XSLT,XML,HTML,AJAX, Javascript,ASP.Net, Visual Basic & Powerhouse
2.	Is your application web-based or client-based?	Our application is a web-client based hybrid.
3.	What database do you use for the back-end?	SQL
4.	Do you provide web services or custom interfaces (API) to interact with your system?	CompuSys can provide custom interfaces (API) to interact with CEBAS
5.	What is your uptime percentage?	99%
6.	What is your disaster recovery plan?	A copy of our disaster recovery plan can be found Appendix W of this RFP
7.	How quickly can your system be up and running in case of down time?	Our system can be up and running within 1-2 hours. We employ 2 redundant back-up servers
8.	Do you utilize SSL?	CompuSys utilizes SSL to encrypt and secure data being displayed on websites displaying sensitive/confidential information
9.	What type of encryption do you apply to data and files?	CompuSys uses both SSL and PGP encryption for data and files.
10.	What is your process for sending encrypted email information?	PGP, Secure Password Zip file, Secure Subject-Password protected
11.	Is your system a per-user license or unlimited access?	Our system is an in-house system with access limited to contracted clients.
12.	Please explain your conversion process for receiving and/or sending data? Is the data transferred via files (email and/or FTP) or via a website (file upload through system)?	Data is transferred via files, (e-mail and/or FTP), as well as via website (file upload through system. All data converted from our system which is sent and received by business associates and trading partners is HIPAA compliant.

Response to RFP No JSD0124

Submitted by CompuSys/Erisa Group, Inc.

Date Due: 5/30/2012

13.	Provide a website link to demo your system's website.	<a href="https://www.coaopenenrollment.com/viewsite/">https://www.coaopenenrollment.com/viewsite/</a> Employee Log-in 88888888 First 5-digits of SSN 77777 Retiree Log-in – Personal ID: A1B2C3D4E Surviving Spouse Log-in – Personal ID: 12345ABCD
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**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Attachment 8 Performance Measures – Eligibility Administration**

All performance measures and guarantees should be City-specific, not book of business.

	Performance Measure	Acceptable Performance	Penalty	Agree Yes/No	If No, Proposed Penalty
1.	City's satisfaction with implementation	100%	\$5,000 each year	Yes	
2.	Employee Benefits staff satisfaction	At least 90%	\$5,000 each year	Yes	
3.	Customer Service	Must be operational January 1 <sup>st</sup>	\$5,000	Yes	
4.	Eligibility transaction accuracy level	99%	1% of annual fees	Yes	
5.	Eligibility system updated within two business days of any enrollment information received	99%	1% of annual fees	Yes	
6.	Bi-weekly eligibility data transmission to City's benefit vendors	Must be sent within 10 business days of receipt from City	1% of annual fees	Yes	
7.	Eligibility discrepancy report	Must be sent within three business days of receiving either payroll data or annuity file data	\$1,000 for each occurrence, up to a maximum of \$5,000 each year	Yes	
8.	Monthly enrollment summary report	Must be provided to the City by the 10 <sup>th</sup> of each month	\$1,000 for each occurrence, up to a maximum of \$6,000 each year	Yes	
9.	Monthly, quarterly and year-end reports	Must be provided within 30 days of the end of each period	\$1,000 for each quarter, up to a maximum of \$4,000 each year	Yes	
10.	Open Enrollment Phone Number	Must be operational prior to deadline determined by the City	\$5,000 each year	Yes	
11.	Benefits Coverage Information Statements	Produced accurately, stuffed, sorted, and delivered by deadline determined by City	\$100 for each occurrence, up to a maximum of \$10,000 for each plan year	Yes	



**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Attachment 8 Performance Measures – Eligibility Administration**

	Performance Measure	Acceptable Performance	Penalty	Agree Yes/No	If No, Proposed Penalty
12.	Confirmation of Coverage Statements	Must be produced accurately and sent within two business days	\$100 for each occurrence, up to a maximum of \$5,000 for each plan year	Yes	
13.	Web-based enrollment system	Must be operational prior to the begin date of Open Enrollment	\$10,000 each year	Yes	
14.	Open Enrollment 834 eligibility file	Must be accurate and sent to City's benefit vendors by deadline determined by City	10% annual fees	Yes	
15.	Open Enrollment Files for Employees and Retirees	Must be accurate and sent to City's Payroll department, Benefits department, and retirement systems by deadline determined by the City	10% annual fees	Yes	
16.	Open Enrollment reports	Must be produced accurately and by deadline determined by the City	\$1,000 per report up to a maximum of \$5,000 for each plan year	Yes	

The following is a restatement and confirmation of CompuSys/Erisa Group, Inc.'s acceptance of and its current and ongoing ability to perform each requirement in Section 0500 Paragraphs 5.1 through 5.26 of *RFP No. JSD0124*.

**5.0 COBRA, CONTINUATION OF COVERAGE FOR DOMESTIC PARTNERS, AND SELF-PAY ADMINISTRATION**

Administration Requirements

- 5.1 The Contractor must administer COBRA in accordance with Federal regulations.
- 5.2 The City determines eligibility and the Contractor must agree to abide by the City's policies and procedures regarding eligibility and coverage effective dates for CCDP.
- 5.3 The Contractor must maintain eligibility and enrollment records/history for all Covered Persons.
- 5.4 The Contractor must send and/or receive enrollment information and updated eligibility records electronically on a weekly basis with the City and the City's benefit vendors.
- 5.5 The Contractor must key, track, and have reporting capabilities for all information received from the City's benefits staff and enrollment forms.
- 5.6 Communications
  - 5.6.1 The Contractor must send all letters as required by Federal regulations to qualified beneficiaries.
  - 5.6.2 Notifications
    - 5.6.2.1 The Contractor must send all required COBRA notices within 14 days of receiving notification from the City or the City's eligibility vendor.
    - 5.6.2.2 The Contractor must send CCDP notices within 14 days of receiving notification from the City or the City's eligibility vendor.
  - 5.6.3 The Contractor must maintain electronic logs and letters for initial notices and qualifying event letters in a format specified by the City.
  - 5.6.4 The Contractor will be liable for any damages incurred if the Contractor fails to notify a qualified beneficiary within the timelines required by Federal regulations, provided the City has notified the Contractor as required.
- 5.7 Premiums
  - 5.7.1 The Contractor must deposit premium payments received on a weekly basis.
  - 5.7.2 The Contractor must generate deposit records in accordance with the City's guidelines.
  - 5.7.3 The Contractor must pay premium payments collected to appropriate City benefit vendors in accordance with City guidelines.

- 5.7.4 The Contractor must reconcile payments against the City's benefit vendor invoices.
- 5.8 The Contractor must have a process for resolving complaints/problems and a formal appeals process.
- 5.9 The Contractor must provide Covered Persons payment coupon books, guides, and enrollment forms.
- 5.10 The Contractor must prepare and mail late payment and termination of benefits letters.
- 5.11 The Contractor must terminate benefits coverage due to nonpayment.
- 5.12 The Contractor must provide weekly reports detailing premium payments collected.
- 5.13 The Contractor must prepare and mail the annual Open Enrollment materials to Covered Persons. Timelines will be determined annually by the City.
- 5.14 The Contractor must provide electronic copies of completed enrollment forms as requested by the City.

**The following pertains to Self-Pay Administration services.**

**Background**

Self-Pay Administration, herein referred to as "Self-Pay", include benefit premium collections for Retirees whose monthly retirement annuity is not sufficient to pay for coverage selected. Self-Pay also includes benefit premium collections for Surviving Family Members of Employees who were killed in the line of duty, electing to continue coverage. Refer to **Exhibit 1: 2012 Employee Benefits Guide** and **Exhibit 2: 2012 Benefits Enrollment Guide for Retirees and Surviving Spouses**.

As of January 2012, approximately 50 Self-Pay Retirees were enrolled in at least one benefit and no Surviving Family Members were enrolled.

#### Administration Requirements

- 5.15 The City determines eligibility and the Contractor must agree to abide by the City's policies and procedures regarding eligibility and coverage effective dates.
- 5.16 The Contractor must maintain eligibility and enrollment records/history for all Self-Pay Covered Persons.
- 5.17 The Contractor must send and/or receive enrollment information and updated eligibility records electronically on a weekly basis with the City and the City's benefit vendors.
- 5.18 The Contractor must use benefit deduction codes as defined in **Exhibit 4: Retiree Benefits Deduction Codes**.
- 5.19 The Contractor must be able to accept the City's Benefit Enrollment forms.
- 5.20 The Contractor must key, track, and have reporting capabilities for all information received from the City's benefits staff, the Pension Systems Annuity Files, and the Benefits Enrollment forms.
- 5.21 Premiums
  - 5.21.1 The Contractor must deposit payments received on a weekly basis.
  - 5.21.2 The Contractor must generate deposit records in accordance with the City's guidelines.
- 5.22 The Contractor must have a process for resolving complaints/problems and a formal appeals process.
- 5.23 The Contractor must provide Self-Pay Covered Persons payment coupon books.
- 5.24 The Contractor must prepare and mail late payment and termination of benefits letters.
- 5.25 The Contractor must terminate benefits coverage due to nonpayment.
- 5.26 The Contractor must provide weekly reports detailing premium payments collected from each enrolled Self-Pay Covered Person.

**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Attachment 2 Business Organization Questionnaire**

Proposer must complete a separate Business Organization Questionnaire for each requested service.

Indicate which service this questionnaire applies to: **COBRA, Continuation of Coverage for Domestic Partners & Self Pay Administration**

	<b><u>Question</u></b>	<b><u>Response</u></b>		
1.	Name of Company?	CompuSys/Erisa Group, Inc.		
2.	Name of Parent Company (if applicable)?	CompuSys of Utah		
3.	Location of corporate office?	Salt Lake City, Utah		
4.	Legal form of organization (corporation, partnership, non-profit, etc.)?	Class S Corporation		
5.	How long has your company provided this service?	Since 1968		
6.	Number of participating employer group clients?	<u>Under 5,000 lives</u> 1	<u>Over 5,000 live</u>	
7.	Number of public sector clients?	1		
8.	Number of total covered lives in:	<u>2010</u> 90	<u>2011</u> 158	<u>2012</u> 114
9.	Do you anticipate a merger or acquisition within the next 2 years?	CompuSys does not anticipate a merger or acquisition within the next 2 years.		
10.	Is there any litigation and/or government action pending, or has there been any taken or proposed against your company during the most recent five years?	There is not currently nor has there ever been any litigation pending, taken, or proposed against CompuSys/Erisa Group, Inc.		
11.	Has your company experienced any security breaches where PHI was obtained from your system in the last 24 months? If yes, how long did it take for you to notify impacted participants and their employer?	CompuSys/Erisa Group, Inc. has not experienced any security breaches where PHI was obtained from our system within the last 24 months.		
12.	Describe any subcontractor relationships your company intends to utilize in the performance of services proposed and how long the relationship has been in place.	CompuSys has no COBRA subcontractor relationships.		

Response to RFP No. JSD2014

Submitted by: CompuSys/Erisa Group, Inc.

Due Date: 5/30/2012



13.	Provide an organizational diagram that illustrates the legal relationship between all of the organizations involved in your proposed solution to this RFP. Provide at a minimum, the name of the organization, legal relationship, and the length of the relationship.	CompuSys has no legal relationships with any other organization as we are a sole-proprietorship.
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**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Attachment 3 Customer Service Questionnaire**

Proposer must complete a separate Customer Service Questionnaire for each requested service.

Indicate which service this questionnaire applies to: **COBRA, Continuation of Coverage for Domestic Partners and Self-Pay Administration**

	<u>Question</u>	<u>Response</u>		
1.	Location of customer service unit?	Summit Executive Suites 13706 Research Blvd. Suite 308 Austin, TX 78750		
2.	Total number of Customer Service Representatives (CSR)?	.5 CSR – .5 CSR back-up		
3.	Number of CSR staff designated to the City?	.5 CSR - .5 CSR back-up		
4.	Number of Spanish speaking CSRs designated to the City?	1		
5.	Target ratio of CSRs to enrolled participants?	.5 CSR : 52 enrolled participants		
6.	Average daily number of incoming calls?	5		
7.	Average daily number of calls per CSR?	5		
8.	Do you record all incoming calls?	We record all complex problem calls and all calls transferred to management		
9.	How many months of history are available to CSRs?	CSRs have access to COBRA/Self-Pay Retiree enrollment and payment history 2000 to present.		
10.	Abandonment rate?	<u>2009</u> <3%	<u>2010</u> <3%	<u>2011</u> <3%
11.	Average speed to answer in seconds?	< 30 seconds	< 30 seconds	< 30 seconds
12.	Member satisfaction level?	high	high	high
13.	First call resolution rate?	>90%	>90%	>90%
14.	Turn over rate for customer service unit?	0%	50% - back-up covered until a replacement was hired.	0%

Response to RFP No.JSD0124

Submitted by: CompuSys/Erisa Group, Inc.

Due Date: 5/30/2012

15.	Average response time for resolving customer inquiries and complaints?	Within 1 business day	Within 1 business day	Within 1 business day
16.	How do you measure Covered Person satisfaction?	Covered person satisfaction is measured by input from employees, former employees, dependents, retirees & City Benefits Staff. We would like to do a COA approved customer satisfaction survey in 2013.		
17.	How are complaints/problems handled and resolved?	<p>CSR 1<sup>st</sup> level</p> <p>CSR Manager – 2<sup>nd</sup> level</p> <p>Operations Manager – 3<sup>rd</sup> level</p> <p>Project Director – 4<sup>th</sup> level</p> <p>Any complaints not resolved within the above 4 levels are referred to the City's Benefits Division for guidance.</p>		
18.	Total number of grievances filed within the last 12 months? Number pending? Number resolved?	No formal grievances filed within the last 12 months.		
19.	What on-line services are available (i.e., email inquiries, claim status, provider directory, replacement ID cards, plan provisions, Explanation of Benefits, etc.)?	Available online services include: email inquiries, enrollment and claim history for COBRA participants enrolled in the dental or Health Care FSA plans. A COBRA website is in development for 2013 to include election form submissions and online payments.		
20.	List the various communications you can provide in Spanish? For example: 1) Confirmation of Coverage Statement, 2) COBRA notification letters, and 3) Dental claim EOB.	CompuSys has the capability of providing all employee, retiree, self-pay, domestic partner and COBRA communications in Spanish.		

**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Attachment 4 Account Team Information**

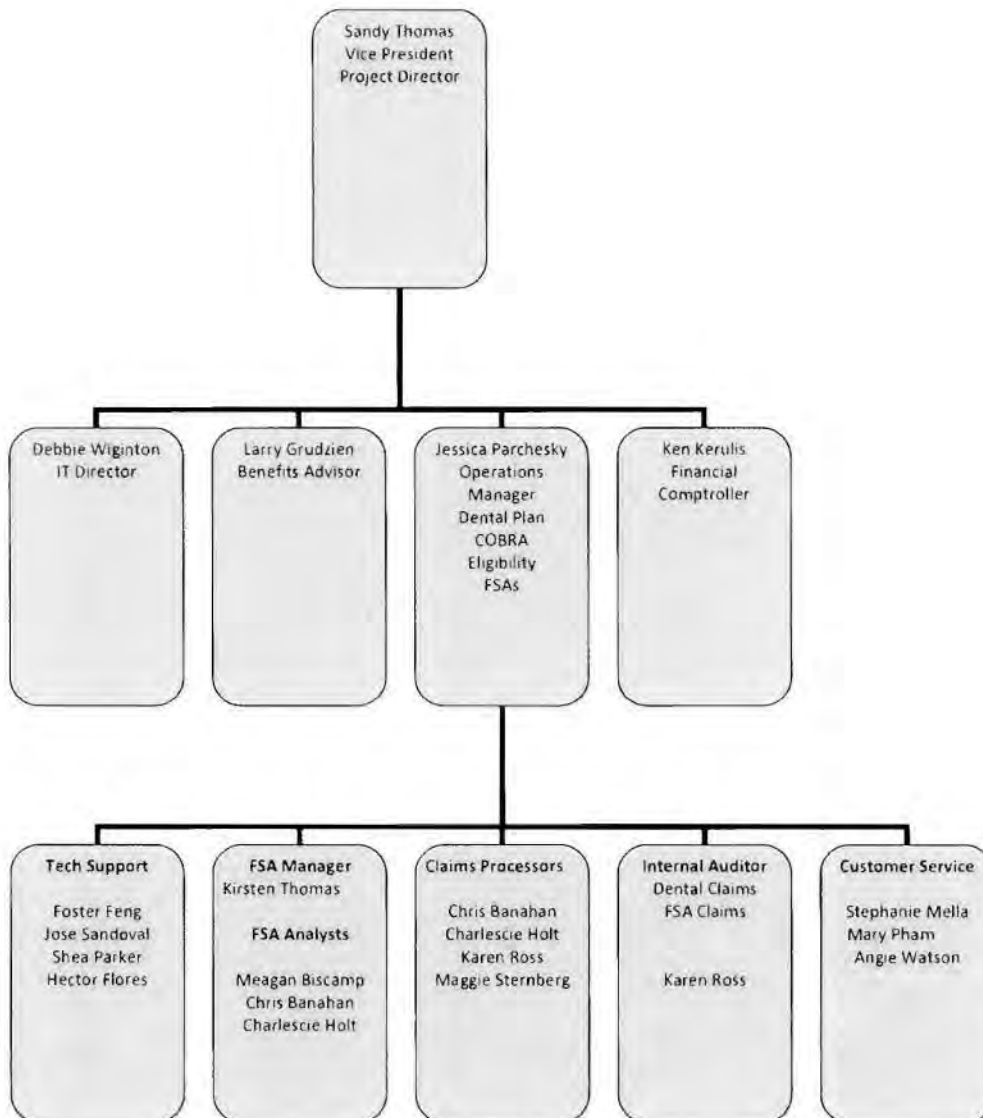
Proposer must complete a separate Account Team Information document for each requested service. Indicate which service this information applies to: **COBRA, Continuation of Coverage for Domestic Partners & Self-Pay Administration**

Provide a one-page diagram of your account team's service hierarchy, including employer contact pathways to include a resume for the proposed account team members. **Our organization is small with a transparent hierarchy. We provide the City with ready access to all CompuSys/Erisa employees. A copy of our organization chart is attached.**

Account Team Staff	Response
<b>Staff Name:</b>	Stephanie Mella
Location:	Austin, TX
Years with company:	1 year
Total number of accounts to service:	1
Percent of time dedicated to the City:	33 1/3% for COBRA
<b>Staff Name:</b>	Jessica Parchesky Operations Mgr.
Location:	Austin, TX
Years with company:	18 years
Total number of accounts to service:	2
Percent of time dedicated to the City:	75% overall/15% on COBRA
<b>Staff Name:</b>	
Location:	
Years with company:	
Total number of accounts to service:	
Percent of time dedicated to the City:	
<b>Staff Name:</b>	
Location:	
Years with company:	
Total number of accounts to service:	
Percent of time dedicated to the City:	

## Organization Chart

### CompuSys/ErISA Group, Inc.





**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Attachment 5 System Capabilities Questionnaire**

Proposer must complete a separate System Capabilities Questionnaire for each requested service.

Indicate which service this questionnaire applies to: COBRA, Continuation of Coverage for Domestic Partners and Self Pay Administration

	<b><u>Question</u></b>	<b><u>Response</u></b>
1.	What is the name of the system?	CEBAS SENSIBLE is a Windows-based system developed & supported on-site Using but not limited to the following software: VB.Net, SQL, XSLT, XML, HTML, AJAX, Javascript, ASP.Net, Visual Basic & Powerhouse
2.	Is your application web-based or client-based?	Our application is a web-client based hybrid.
3.	What database do you use for the back-end?	SQL
4.	Do you provide web services or custom interfaces (API) to interact with your system?	CompuSys can provide custom interfaces (API) to interact with CEBAS
5.	What is your uptime percentage?	99%
6.	What is your disaster recovery plan?	A copy of our disaster recovery plan can be found Appendix W of this RFP
7.	How quickly can your system be up and running in case of down time?	Our system can be up and running within 1-2 hours. We employ 2 redundant back-up servers
8.	Do you utilize SSL?	CompuSys utilizes SSL to encrypt and secure data being displayed on websites displaying sensitive/confidential information
9.	What type of encryption do you apply to data and files?	CompuSys uses both SSL and PGP encryption for data and files.
10.	What is your process for sending encrypted email information?	PGP, Secure Password Zip file, Secure Subject-Password protected
11.	Is your system a per-user license or unlimited access?	Our system is an in-house system with access limited to contracted clients.

Response to RFP No.JSD0124

Submitted by CompuSys/Erisa Group, Inc.

Date Due: 5/30/2012

12.	Please explain your conversion process for receiving and/or sending data? Is the data transferred via files (email and/or FTP) or via a website (file upload through system)?	Data is transferred via files, (e-mail and/or FTP), as well as via website (file upload through system. All data converted from our system which is sent and received by business associates and trading partners is HIPAA compliant.
13.	Provide a website link to demo your system's website.	Our COBRA website is in test stage & will be available for testing by COA mid-2013

**REQUEST FOR PROPOSAL NUMBER NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Attachment 9 Performance Measures – COBRA,**  
**Continuation of Coverage for Domestic Partners, and Self-Pay Administration**

All performance measures and guarantees should be City-specific, not book of business.

	Performance Measure	Acceptable Performance	Penalty	Agree Yes/No	If No, Proposed Penalty
1.	Employee Benefits staff satisfaction	At least 90%	\$2,500 each year	Yes	
2.	Notification letters	100% of letters must be mailed within Federal required timeline	\$500 per occurrence, up to a maximum of \$5,000 each year	Yes	
3.	Benefits coverage termination due to nonpayment	95% of terminations will be processed within Federal required timeline	\$500 per occurrence, up to a maximum of \$5,000 each year	Yes	
4.	Monthly, quarterly and year-end reports	Must be provided within 30 days of the end of each period	\$1,000 per quarter, up to a maximum of \$4,000 each year	Yes	

The following is a restatement and confirmation of CompuSys/Erisa Group, Inc.'s acceptance of and its current and ongoing ability to perform each requirement in Section 0500 Paragraph 6.1 through 6.10.3 of RFP No. JSD0124.

## 6.0 SELF-FUNDED DENTAL PLAN CLAIMS ADMINISTRATION

### Administration Requirements

- 6.1 The City determines eligibility and the Contractor must agree to abide by the City's policies and procedures regarding eligibility and coverage effective dates for all Covered Persons. Refer to **Exhibit 1: 2012 Employee Benefits Guide** and **Exhibit 10: 2012 Employee Dental Assistance Plan Document**.
- 6.2 The Contractor must maintain eligibility and claims records/history for all Covered Persons.
- 6.3 The Contractor must use dental deduction codes as defined in **Exhibit 3: Employee Benefits Deduction Codes**.
- 6.4 The Contractor must track and have reporting capabilities for all information received from the City's benefits staff and the Benefits Enrollment forms. At the request of the City, the Contractor must have capability to key Benefits Enrollment forms.
- 6.5 The Contractor's customer service line must be fully operational the first day of open enrollment in October 2012.
- 6.6 Employee Dental Assistance Plan identification cards (Cards):
  - 6.6.1 The Contractor must mail Cards no later than ten business days from notice of eligibility.
  - 6.6.2 Annual Cards must be received by Covered Persons on or before December 31<sup>st</sup> of each plan year.
  - 6.6.3 The Contractor must mail Cards directly to the Covered Persons' home address.
- 6.7 Claims Administration
  - 6.7.1 The Contractor's claims adjudication system will meet or exceed industry standards.
  - 6.7.2 The Contractor's system must receive and adjudicate dental claims electronically in accordance with the Employee Dental Assistance Plan Document.
  - 6.7.3 The Contractor must issue an Explanation of Benefits (EOB), either electronically or on paper.
  - 6.7.4 The Contractor must provide recovery services for overpayments and subrogation. The Contractor agrees to reimburse City for overpayments when identified, not when collected.

- 6.7.5 The Contractor must provide dental claims run-out administration for claims incurred prior to the termination date of the contract. All fees must be quoted on a mature basis.
  - 6.7.6 The Contractor must provide internal financial safeguards to prevent employee fraud.
  - 6.7.7 The Contractor must administer Coordination of Benefits integrating with other coverage as determined by the City.
  - 6.7.8 The Contractor must have a process for resolving complaints/problems and a formal appeals process.
  - 6.7.9 The Contractor must reimburse the City for any amounts identified as paid incorrectly or other errors brought to the City's attention. The Contractor must not seek reimbursement from Covered Persons for claims paid incorrectly during a previous plan year.
- 6.8 Table of Allowances
- 6.8.1 The Contractor's system must allow the Table of Allowances to be customizable.
  - 6.8.2 The Contractor must provide the City with new and/or updated ADA codes with applicable allowances.
  - 6.8.3 The City determines codes and rates included in the Table of Allowances for each plan year.
- 6.9 The Contractor must provide Certificates of Creditable Coverage (as required by the Health Insurance Portability and Accountability Act of 1994) for all Covered Persons whose coverage under the City sponsored dental plan ends. The Certificates must be in a format specified by the City. Contractor must keep electronic files of all HIPAA Certificates of Creditable Coverage issued and make available upon request by the City.
- 6.10 Reporting
- 6.10.1 The Contractor must provide regular monthly, quarterly, and annual utilization reports online and must have the capability to generate ad hoc reports. Reports must break out utilization by Employees, COBRA participants, CCDP participants, dependents and total utilization by type of service. Reports are due on the 10<sup>th</sup> day of the month following the last day of the time period for which the data is reported. The Contractor must also have the capability to capture, analyze and report the data by each City department.
  - 6.10.2 Monthly reports must include a claims lag.
  - 6.10.3 The Contractor must provide, in a format determined by the City, data feeds on a routine basis to third parties, such as the FLEXTRA Health Care spending account Contractor, as requested by the City.



**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Attachment 2 Business Organization Questionnaire**

Proposer must complete a separate Business Organization Questionnaire for each requested service.  
 Indicate which service this questionnaire applies to: **Self-Funded Dental Plan Claims Administration**

	<b><u>Question</u></b>	<b><u>Response</u></b>		
1.	Name of Company?	CompuSys/Erisa Group, Inc.		
2.	Name of Parent Company (if applicable)?	CompuSys of Utah		
3.	Location of corporate office?	Salt Lake City, Utah		
4.	Legal form of organization (corporation, partnership, non-profit, etc.)?	Class S Corporation		
5.	How long has your company provided this service?	Since 1990		
6.	Number of participating employer group clients?	<u>Under 5,000 lives</u>	<u>Over 5,000 lives</u> 1	
7.	Number of public sector clients?	one		
8.	Number of total covered lives in:	<u>2010</u> 24,908	<u>2011</u> 25,340	<u>2012</u> 25,634
9.	Do you anticipate a merger or acquisition within the next 2 years?	No mergers or acquisitions are planned within the next two years.		
10.	Is there any litigation and/or government action pending, or has there been any taken or proposed against your company during the most recent five years?	There is not currently nor has there been within the most recent five years, any litigation and/or government action pending or proposed against our company.		
11.	Has your company experienced any security breaches where PHI was obtained from your system in the last 24 months? If yes, how long did it take for you to notify impacted participants and their employer?	CompuSys/Erisa Group, Inc. has not experienced any security breaches where PHI was obtained from our system within the last 24 months.		
12.	Describe any subcontractor relationships your company intends to utilize in the performance of services proposed and how long the relationship has been in place.	No subcontractor relationships		

Response to RFP No. JSD2014

Submitted by: CompuSys/Erisa Group, Inc.

Due Date: 5/30/2012

13.	Provide an organizational diagram that illustrates the legal relationship between all of the organizations involved in your proposed solution to this RFP. Provide at a minimum, the name of the organization, legal relationship, and the length of the relationship.	We have no legal relationships with any other organization as we are a sole proprietorship.
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**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Attachment 3 Customer Service Questionnaire**

Proposer must complete a separate Customer Service Questionnaire for each requested service.

Indicate which service this questionnaire applies to: **Self-funded Dental Plan Claim Administration**

	<u>Question</u>	<u>Response</u>		
1.	Location of customer service unit?	Summit Executive Suites 13706 Research Blvd. Suite 308 Austin, TX 78750		
2.	Total number of Customer Service Representatives (CSR)?	2 CSRs		
3.	Number of CSR staff designated to the City?	2 CSRs		
4.	Number of Spanish speaking CSRs designated to the City?	1		
5.	Target ratio of CSRs to enrolled participants?	1 CSR : 12,800 enrolled participants		
6.	Average daily number of incoming calls?	60 (includes e-mails)		
7.	Average daily number of calls per CSR?	30 (includes e-mails)		
8.	Do you record all incoming calls?	We record all complex problem calls and all calls transferred to management.		
9.	How many months of history are available to CSRs?	CSRs have access to all dental claim history from 1994 to present.		
10.	Abandonment rate?	<u>2009</u> <3%	<u>2010</u> <3%	<u>2011</u> <3%
11.	Average speed to answer in seconds?	< 30 seconds	< 30 seconds	< 30 seconds
12.	Member satisfaction level?	high	high	high
13.	First call resolution rate?	> 90%	> 90%	> 90%
14.	Turn over rate for customer service unit?	0%	0%	0%
15.	Average response time for resolving customer inquiries and complaints?	Within 1 business day	Within 1 business day	Within 1 business day
16.	How do you measure Covered Person satisfaction?	Covered person satisfaction is measured by input from employees, retirees, providers & City Benefits Staff. We would like to do a COA approved customer satisfaction survey in 2013		

Response to RFP No. JSD0124

Submitted by: CompuSys/Erisa Group, Inc.

Due Date: 5/30/2012

17.	How are complaints/problems handled and resolved?	<p>CSR 1<sup>st</sup> level</p> <p>CSR Manager – 2<sup>nd</sup> level</p> <p>Operations Manager – 3<sup>rd</sup> level</p> <p>Project Director – 4<sup>th</sup> level</p> <p>Any complaints not resolved within the above 4 levels are referred to the City's Benefits Division for guidance.</p>
18.	Total number of grievances filed within the last 12 months? Number pending? Number resolved?	No formal grievances have been filed within the last 12 months.
19.	What on-line services are available (i.e., email inquiries, claim status, provider directory, replacement ID cards, plan provisions, Explanation of Benefits, etc.)?	<p>Available online services include: email inquiries, eligibility, claim status, YTD benefit accumulators, replacement ID cards, reimbursement claim forms, SPD, Table of Allowances and links to dentists and specialists in the Austin area.</p> <p>See Dental demonstration website:  <a href="http://cpdevcoadental.tx.cserisa.com">http://cpdevcoadental.tx.cserisa.com</a> </p>
20.	List the various communications you can provide in Spanish? For example: 1) Confirmation of Coverage Statement, 2) COBRA notification letters, and 3) Dental claim EOB.	CompuSys has the capability of providing all employee, retiree, self-pay, domestic partner and COBRA communications in Spanish.

**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Attachment 4 Account Team Information**

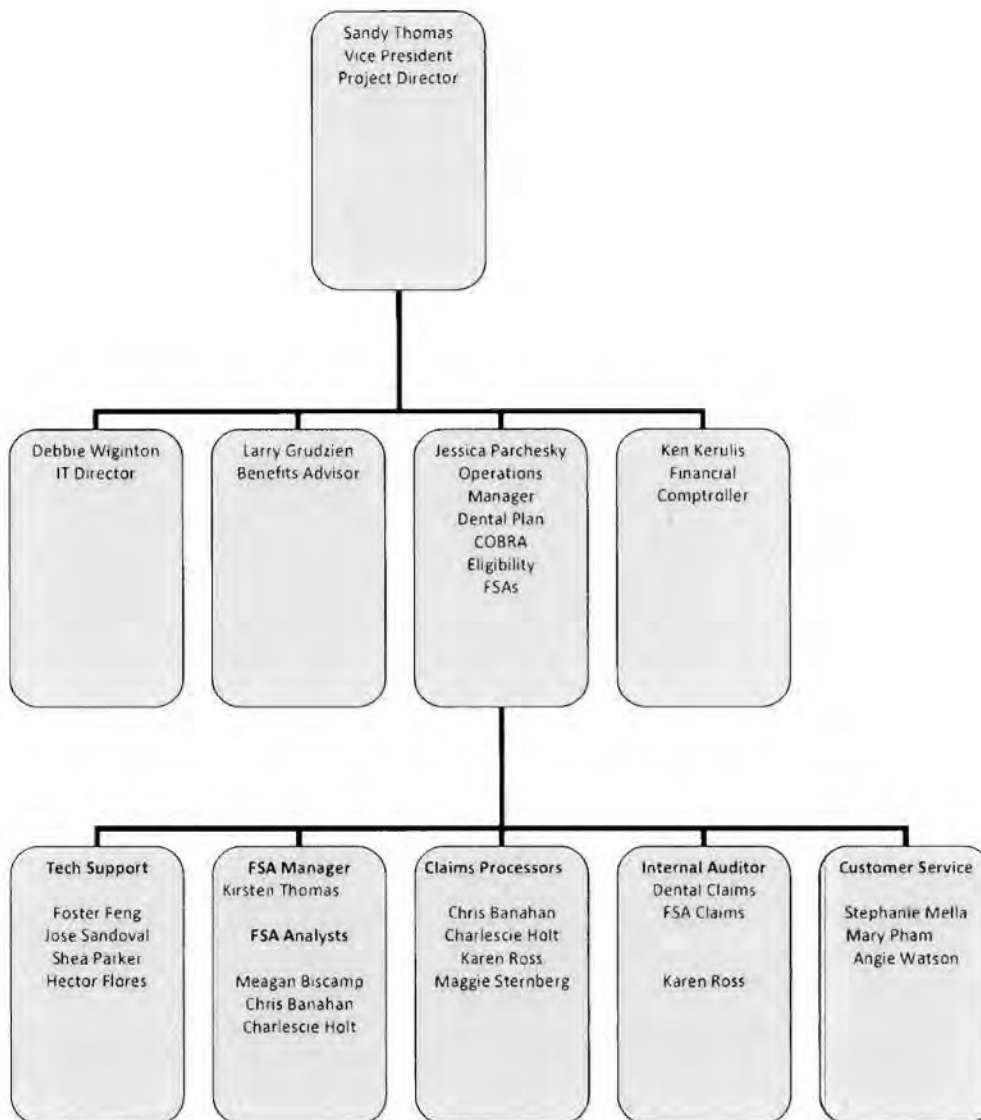
Proposer must complete a separate Account Team Information document for each requested service. Indicate which service this information applies to: **Flexible Benefits Claims Administration**

Provide a one-page diagram of your account team's service hierarchy, including employer contact pathways to include a resume for the proposed account team members. **Our organization is small with a transparent hierarchy. We provide the City with ready access to all CompuSys/Erisa employees. A copy of our organizational chart is attached.**

Account Team Staff	Response
<b>Staff Name:</b>	Kirsten Thomas – FSA Manager
Location:	Austin, TX
Years with company:	10 years
Total number of accounts to service:	3
Percent of time dedicated to the City:	50%
<b>Staff Name:</b>	Karen Ross
Location:	Austin, TX
Years with company:	21 years
Total number of accounts to service:	1
Percent of time dedicated to the City:	100%
<b>Staff Name:</b>	Chris Banahan
Location:	Austin, TX
Years with company:	18 years
Total number of accounts to service:	1
Percent of time dedicated to the City:	100%
<b>Staff Name:</b>	Angie Watson
Location:	Austin, TX
Years with company:	18 years
Total number of accounts to service:	2
Percent of time dedicated to the City:	25%

## Organization Chart

### CompuSys/Erisa Group, Inc.





**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Attachment 5 System Capabilities Questionnaire**

Proposer must complete a separate System Capabilities Questionnaire for each requested service.

Indicate which service this questionnaire applies to: Self-Funded Dental Plan Claims Administration

	<b><u>Question</u></b>	<b><u>Response</u></b>
1.	What is the name of the system?	CEBAS SENSIBLE is a Windows-based system developed & supported on-site Using but not limited to the following software: VB.Net, SQL, XSLT, XML, HTML, AJAX, Javascript, ASP.Net, Visual Basic & Powerhouse
2.	Is your application web-based or client-based?	Our application is a web-client based hybrid.
3.	What database do you use for the back-end?	SQL
4.	Do you provide web services or custom interfaces (API) to interact with your system?	CompuSys can provide custom interfaces (API) to interact with CEBAS
5.	What is your uptime percentage?	99%
6.	What is your disaster recovery plan?	A copy of our disaster recovery plan can be found Appendix W of this RFP
7.	How quickly can your system be up and running in case of down time?	Our system can be up and running within 1-2 hours. We employ 2 redundant back-up servers
8.	Do you utilize SSL?	CompuSys utilizes SSL to encrypt and secure data being displayed on websites displaying sensitive/confidential information
9.	What type of encryption do you apply to data and files?	CompuSys uses both SSL and PGP encryption for data and files.
10.	What is your process for sending encrypted email information?	PGP, Secure Password Zip file, Secure Subject-Password protected
11.	Is your system a per-user license or unlimited access?	Our system is an in-house system with access limited to contracted clients.
12.	Please explain your conversion process for receiving and/or sending data? Is the data transferred via files (email and/or FTP) or via a website (file upload through system)?	Data is transferred via files, (e-mail and/or FTP), as well as via website (file upload through system). All data converted from our system which is sent and received by business associates and trading partners is HIPAA compliant.

Response to RFP No. JSD0124

Submitted by CompuSys/Erisa Group, Inc.

Date Due: 5/30/2012

13.	Provide a website link to demo your system's website.	<a href="http://cpdevcoadental.tx.cserisa.com/">http://cpdevcoadental.tx.cserisa.com/</a>  Sign In  Member ID : demo  Password: mode
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**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Attachment 6 Dental Claims Administration Questionnaire**

Place this document in Tab 6 of your proposal response.

	<b><u>Question</u></b>	<b><u>Response</u></b>
1.	Location of claims processing unit?	Summit Executive Suites 13706 Research Boulevard, Ste. 308 Austin, Texas
2.	Are there any plans to relocate the claims unit?	No.
3.	Total number of claims processors?	6
4.	Number of claims processors designated to the City?	2
5.	Target ratio of claims processors to enrolled participants?	Target ratio is 1:12,800 enrolled participants. The current auto-adjudication rate is 68%. It should be noted that of a total annual claims volume of 39,468, less than 12,000 are manually processed.
6.	What was the 2011 turnover rate for claims processing staff?	No turnover in 2011.
7.	Describe how Personal Health Information (PHI) is protected?	CompuSys/Erisa complies with the administrative, physical and technical safeguards required by HIPAA. Examples of such safeguards include, employees trained on security and privacy policies and have signed a confidentiality agreement. Documents are kept securely at our claim office, secure off-site storage and disposal of all documents is performed by a secure shredding company. Secure databases maintain PHI and transfer of electronic data is transmitted by encryption, secure ftp site, secure email system, etc.

**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Attachment 6 Dental Claims Administration Questionnaire**

Place this document in Tab 6 of your proposal response.

8.	Describe your claims processing system including eligibility, system edits and audits, claims payment and reporting.	<p>Our claims processing system named CEBAS/SENSIBLE is an in-house designed system with the following capabilities:</p> <p>Highly flexible dental claims adjudications system designed and maintained in-house. The source code is retained internally. The system allows maximum flexibility in the following areas:</p> <ul style="list-style-type: none"> <li>• Deductible tracking capability at multiple levels (i.e. individual and family), capability to track 3-month carry-over</li> <li>• Maintenance of multiple accumulators (i.e. annual and Lifetime Maximums, cleanings, bite-wings, exams, orthodontia, etc)</li> <li>• Eligibility tracking &amp; reporting on multiple plan &amp; coverage levels (EO,ES,EC, EF)</li> <li>• Robust Documentation Notepads for customers service and claims adjudication</li> <li>• Functioning platform form for electronic claims submission</li> <li>• Functioning platform for auto-adjudication</li> <li>• System safeguards to ensure HIPAA guidelines are met</li> <li>• System edits for verification of eligibility, dependent eligibility, duplicity checks based on DOS, providers, patients, &amp; procedures, which is inclusive of overlapping dates</li> <li>• Enforcement of YTD, and lifetime maximums</li> <li>• Generation of standard and ad hoc reports</li> <li>• Generation of weekly random claims by processor for auditing</li> </ul>
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**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Attachment 6 Dental Claims Administration Questionnaire**

Place this document in Tab 6 of your proposal response.

9.	List any programs not housed on the same platform as the dental claims system.	Our Powerhouse Enrollment system is integrated with our dental claim processing system for daily updating of all dental eligibility records.
10.	Can your system capture CDT procedure codes using the full 5-digit code? Can you provide the data by preventive, basic, major and orthodontia categories for reporting purposes?	Yes. Our system captures all CDT procedure codes submitted for processing. Reporting is available by category type.
11.	Describe your company's online website for Covered Persons and/or providers to utilize for eligibility, claim status, etc.	A dedicated website will be available for participants to access their dental claim history, year to date accumulators, eligibility, and download claim forms, EOBs and the SPD. The demonstration website, <a href="http://cpdevcoadental.tx.cserisa.com">cpdevcoadental.tx.cserisa.com</a> is available for review. The provider portal is currently in development. Please see URL <a href="http://cpdevcoadental.tx.cserisa.com/">http://cpdevcoadental.tx.cserisa.com/</a>
12.	Do you issue an ID card per Employee or per Covered Person?	A dental ID card is issued for each Covered Person.
13.	Can your system send EOBs to a participant's email address?	Yes. EOBs can be sent to participants via email.
14.	Can your system provide electronic reimbursement to dental providers?	Yes. Dental reimbursements can be directly deposited to a provider's account.

**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Attachment 6 Dental Claims Administration Questionnaire**

	Provide statistics as outlined below:	2010	2011
15.	<b>Financial Accuracy:</b> Total dollar amount of claims paid correctly divided by total dollars paid in sample.	98.5%	99%
16.	<b>Payment Accuracy:</b> Total number of claims paid correctly divided by the total number of claims in sample.	99.8%	99.9%
17.	<b>Overall Accuracy:</b> Total number of claims processed correctly divided by total number of claims processed.	99%	99%
18.	<b>Claim Turnaround Time:</b> Measured from date claim received to date benefits are paid, a denial letter is sent or the claim is set aside pending additional information; express as a percentage of claims processed within 10 and within 15 business days of receipt.	10 days/97% 15 days/100%	10 days/98% 15 days/100%



**REQUEST FOR PROPOSAL NUMBER NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Attachment 10 Performance Measures – Self-Funded Dental Plan Claims Administration**

The definitions for certain performance measures are shown below:

- Payment Accuracy is defined as the number of claims without financial errors divided by the total number of claims in the sample.
- Financial Accuracy is defined as the amount of dollars paid correctly in the sample divided by the total dollars in the sample.
- Processing Accuracy is defined as the number of claims without non-financial errors divided by the total number of claims in the sample.

All performance measures and guarantees should be City-specific, not book of business.

	Performance Measure	Acceptable Performance	Penalty	Agree Yes/No	If No, Proposed Penalty
1.	City's satisfaction with implementation	100%	\$5,000	Yes	
2.	Employee Benefits staff satisfaction	At least 90%	\$5,000 each year	Yes	
3.	Average speed to answer telephone calls	30 seconds or less	1% of annual fees	Yes	
4.	Telephone abandonment rate	Less than 3%	1% of annual fees	Yes	
5.	First telephone call resolution	At least 80%	1% of annual fees	Yes	
6.	Eligibility system updated within two business days of any enrollment information received	99%	\$500 per occurrence, up to a maximum of \$6,000 each year	Yes	
7.	Claims processed within 10 business days of receipt	Minimum of 90%	2% of annual fees	Yes	
8.	Claims processed within 15 business days of receipt	Minimum of 97%	2% of annual fees	Yes	
9.	Payment Accuracy	97%	2% of annual fees for every point below 97%	Yes	
10.	Financial Accuracy	99%	2% of annual fees for every point below 99%	Yes	
11.	Processing Accuracy	97%	2% of annual fees for every point below 97%	Yes	

**REQUEST FOR PROPOSAL NUMBER NO. JSD0124****CITY OF AUSTIN PURCHASING OFFICE****BENEFIT PLANS ADMINISTRATION****Attachment 10 Performance Measures – Self-Funded Dental Plan Claims Administration**

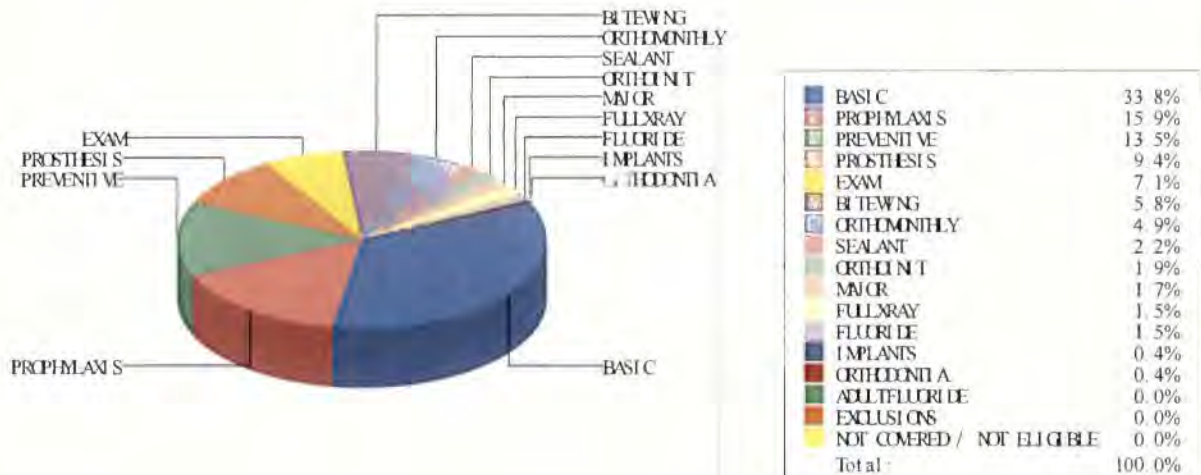
	Performance Measure	Acceptable Performance	Penalty	Agree Yes/No	If No, Proposed Penalty
12.	Overall Accuracy	94%	2% of annual fees for every point below 94%	Yes	
13.	Identification cards	Must be 100% error free	\$500 per occurrence, up to a maximum \$5,000 each year	Yes	
14.		100% must be sent within 10 business days from notice of eligibility	\$500 per occurrence, up to a maximum \$5,000 each year	Yes	
15.	Annual identification cards	100% must be received on or before December 31 <sup>st</sup> each year	\$500 per occurrence, up to a maximum \$5,000 each year	Yes	
16.	Monthly, quarterly and year-end reports	Must be provided within 30 days of the end of each period	\$1,000 each quarter, up to a maximum of \$4,000 each year	Yes	

# City of Austin Dental Plans

## Claim Volume by Category Report

Selection criteria: Date paid From '4/1/2012' Thru '4/30/2012' Plan Standard

Benefit Category	Amount Billed	Amount Allowed	Amount Paid	#Services	Payment	
DENTAL-ADULT FLUORIDE	\$2,134.75	\$0.00	\$0.00	81	0.00 %	
DENTAL-BASIC	\$371,810.43	\$272,834.30	\$229,773.70	1,610	33.81 %	
DENTAL-BITEWING	\$45,915.20	\$39,565.59	\$39,219.55	854	5.77 %	
DENTAL-EXAM	\$59,886.17	\$48,458.26	\$48,067.09	1,284	7.07 %	
DENTAL-FLUORIDE	\$11,572.97	\$10,549.53	\$10,469.15	365	1.54 %	
DENTAL-FULL MOUTH X-RAY	\$13,023.96	\$11,760.81	\$10,470.10	114	1.54 %	
DENTAL-IMPLANTS	\$6,725.00	\$2,703.03	\$2,603.03	4	0.36 %	
DENTAL-MAJOR	\$35,130.29	\$15,808.33	\$11,639.20	128	1.71 %	
DENTAL-ORTHODONTIA	\$8,754.35	\$6,211.29	\$2,411.47	40	0.35 %	
DENTAL-ORTHODONTIA, INITIAL INSERTION OF APPLIANCES	\$33,897.23	\$27,081.73	\$12,686.22	33	1.87 %	
DENTAL-ORTHODONTIA, MONTHLY	\$83,341.86	\$81,690.47	\$32,989.91	410	4.85 %	
DENTAL-PREVENTIVE	\$105,327.95	\$93,175.45	\$91,643.29	1,820	13.48 %	
DENTAL-PROPHYLAXIS	\$125,259.76	\$109,347.31	\$108,240.39	1,563	15.92 %	
DENTAL-PROSTHESIS	\$168,096.00	\$82,007.33	\$64,185.06	189	9.44 %	
DENTAL-SEALANT	\$18,038.91	\$15,292.50	\$15,292.50	373	2.25 %	
EXCLUSIONS	\$21,625.00	\$0.00	\$0.00	120	0.00 %	
NOT COVERED / NOT ELIGIBLE	\$289,819.22	\$0.00	\$0.00	622	0.00 %	
Benefit Categories	17	\$1,400,359.05	\$816,485.93	\$679,690.66	9,610	99.98 %
Total Amount Paid		\$679,690.66				
Total Number Of Claims		3,427				
Average Amount Paid / Claim		\$198.33				



## City of Austin Dental Plans

### Claim Analysis by Budget Code

Selection criteria: PLAN ALL, From 4/1/2012 Thru 4/30/2012

BUDGET DESCRIPTION	# LINES	CLAIMED	DISALLOW	OVER URC DISCOUNT	DEDUCTIBLE	COINS	COB	ADJUST	\$ PAID	CVRD	PAID	
DENTAL	9,127	\$1,274,365.61	\$347,052.37	\$258,023.20		\$28,982.91		\$8,704.07		\$631,603.06	49.56 %	92.92 %
ORTHODONTIA	483	\$125,993.44	\$14,735.91	\$10,629.95	\$160.00	\$2,609.13	\$49,507.10	\$263.75		\$48,087.60	38.16 %	7.07 %
INELIGIBLE	94	\$8,913.36	\$8,913.36							\$0.00	0.00 %	0.00
Total:	9,704	\$1,409,272.41	\$370,701.64	\$268,653.15	\$160.00	\$31,592.04	\$49,507.10	\$8,967.82	\$0.00	\$679,690.66	87.72 %	99.99 %

Selection criteria: PLAN Standard, From 4/1/2012 Thru 4/30/2012

BUDGET DESCRIPTION	# LINES	CLAIMED	DISALLOW	OVER URC DISCOUNT	DEDUCTIBLE	COINS	COB	ADJUST	\$ PAID	CVRD	PAID	
DENTAL	9,127	\$1,274,365.61	\$347,052.37	\$258,023.20		\$28,982.91		\$8,704.07		\$631,603.06	49.56 %	92.92 %
ORTHODONTIA	483	\$125,993.44	\$14,735.91	\$10,629.95	\$160.00	\$2,609.13	\$49,507.10	\$263.75		\$48,087.60	38.16 %	7.07 %
Total:	9,610	\$1,400,359.05	\$361,788.28	\$268,653.15	\$160.00	\$31,592.04	\$49,507.10	\$8,967.82	\$0.00	\$679,690.66	87.72 %	99.99 %

Selection criteria: PLAN Premium, From 4/1/2012 Thru 4/30/2012

BUDGET DESCRIPTION	# LINES	CLAIMED	DISALLOW	OVER URC DISCOUNT	DEDUCTIBLE	COINS	COB	ADJUST	\$ PAID	CVRD	PAID
DENTAL										%	%
ORTHODONTIA										%	%
<b>Total:</b>	<b>0</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>0.00 %</b>	<b>0.00 %</b>

# City of Austin Dental Plans

## Claim Analysis by Department

Selection criteria: Date Paid From 4/1/2012 Thru 4/30/2012

DEPARTMENT	# OF CLAIMS	AMOUNT CLAIMED	STANDARD PAID	PREMIUM PAID	AMOUNT PAID	# OF EMP	DEN\$/# OF EMP
OTHER	21	\$5,052.00	\$0.00	\$0.00	\$0.00	19	\$0.00
1 ERS Actives	12	\$12,207.00	\$1,898.54	\$0.00	\$1,898.54	6	\$316.42
6 COBRA	18	\$5,953.84	\$3,075.06	\$0.00	\$3,075.06	10	\$307.51
7 Police Retirement System - Actives	2	\$221.00	\$174.56	\$0.00	\$174.56	2	\$87.28
11 Austin Energy	544	\$237,157.06	\$111,245.13	\$0.00	\$111,245.13	346	\$321.52
15 Austin Resource Recovery	103	\$38,843.86	\$21,833.04	\$0.00	\$21,833.04	63	\$346.56
16 Code Compliance	18	\$7,502.40	\$2,373.91	\$0.00	\$2,373.91	14	\$169.57
22 Austin Water Utility	159	\$74,080.24	\$31,744.51	\$0.00	\$31,744.51	104	\$305.24
23 Austin Water Utility	108	\$34,950.09	\$21,857.00	\$0.00	\$21,857.00	76	\$287.59
24 Transportation Department	35	\$9,499.14	\$6,641.04	\$0.00	\$6,641.04	25	\$265.64
34 Watershed Protection	87	\$34,430.42	\$19,814.64	\$0.00	\$19,814.64	60	\$330.24
41 Mayor and Council	1	\$198.00	\$166.27	\$0.00	\$166.27	2	\$83.14
42 Governmental Relations	3	\$296.00	\$230.84	\$0.00	\$230.84	2	\$115.42
44 Management Services	10	\$3,375.93	\$1,949.27	\$0.00	\$1,949.27	9	\$216.59
45 City Clerk	4	\$2,773.00	\$1,901.42	\$0.00	\$1,901.42	2	\$950.71
46 Municipal Court	43	\$20,826.55	\$9,755.86	\$0.00	\$9,755.86	31	\$314.71
55 Economic Development	8	\$2,840.00	\$1,935.91	\$0.00	\$1,935.91	8	\$241.99
56 Information Systems	76	\$27,073.10	\$14,209.10	\$0.00	\$14,209.10	57	\$249.28
57 Law	31	\$6,298.00	\$3,726.53	\$0.00	\$3,726.53	23	\$162.02
58 Human Resources	36	\$17,458.92	\$9,392.37	\$0.00	\$9,392.37	21	\$447.26
59 Public Information Office	6	\$1,176.00	\$829.33	\$0.00	\$829.33	4	\$207.33
60 Public Works & Transportation	116	\$53,459.07	\$24,425.65	\$0.00	\$24,425.65	85	\$287.36
69 Neighborhood Planning & Zoning	81	\$31,533.93	\$14,418.17	\$0.00	\$14,418.17	56	\$257.47
70 Fleet Services	52	\$26,182.78	\$12,658.83	\$0.00	\$12,658.83	34	\$372.32
71 Office of the City Auditor	10	\$1,546.00	\$1,095.56	\$0.00	\$1,095.56	5	\$219.11
72 Neighborhood Housing & Community Dev	20	\$22,661.13	\$3,587.01	\$0.00	\$3,587.01	12	\$298.92
74 Financial Services	107	\$50,602.60	\$23,460.59	\$0.00	\$23,460.59	68	\$345.01
78 Wireless Communication Services	9	\$2,801.22	\$1,676.26	\$0.00	\$1,676.26	6	\$279.38
79 Small & Minority Business Rsrc	2	\$414.70	\$343.36	\$0.00	\$343.36	2	\$171.68
81 Aviation	69	\$32,859.32	\$17,869.22	\$0.00	\$17,869.22	45	\$397.09
83 Fire	417	\$160,198.80	\$79,050.75	\$0.00	\$79,050.75	257	\$307.59
85 Library	76	\$21,841.94	\$13,239.43	\$0.00	\$13,239.43	55	\$240.72
86 Parks & Recreation	110	\$52,569.89	\$22,532.51	\$0.00	\$22,532.51	74	\$304.49
87 Police	751	\$292,077.22	\$132,273.83	\$0.00	\$132,273.83	481	\$275.00
91 Health & Human Services	128	\$40,575.51	\$24,666.36	\$0.00	\$24,666.36	91	\$271.06
92 Convention Center	36	\$12,047.14	\$6,927.56	\$0.00	\$6,927.56	30	\$230.92
93 Emergency Medical Services	133	\$61,327.61	\$33,814.46	\$0.00	\$33,814.46	91	\$371.59
97 Office of Contract and Land Management	22	\$4,361.00	\$2,896.78	\$0.00	\$2,896.78	17	\$170.40
<b>*** GRAND TOTAL ***</b>	<b>3,464</b>	<b>\$1,409,272.41</b>	<b>\$679,690.66</b>	<b>\$0.00</b>	<b>\$679,690.66</b>	<b>2,293</b>	<b>\$296.42</b>



# City of Austin Dental Plans

## Claim CPT Charge Summary

Selection criteria: Date Paid From 4/1/2012 Thru 4/30/2012

CPT CODE	NO. OF PROCEDURES	TOTAL CLAIMED	TOTAL OVER URC	HIGH	LOW	AVERAGE CHARGE	AVERAGE CUT BACK	TOTAL PAID
70320	1	\$24.00	\$0.00	\$24.00	\$24.00	\$24.00	\$0.00	\$0.00
D0110	2	\$50.00	\$0.00	\$25.00	\$25.00	\$25.00	\$0.00	\$0.00
D0120	1,327	\$61,397.17	\$11,147.85	\$140.00	\$-42.00	\$46.27	\$8.40	\$47,518.15
D0130	1	\$63.00	\$0.00	\$63.00	\$63.00	\$63.00	\$0.00	\$0.00
D0140	237	\$17,061.47	\$2,808.80	\$175.00	\$0.00	\$71.99	\$11.85	\$13,025.27
D0145	8	\$829.00	\$280.06	\$150.00	\$63.00	\$103.63	\$35.01	\$548.94
D0150	273	\$20,067.08	\$2,394.56	\$168.00	\$-81.00	\$73.51	\$8.77	\$16,528.80
D0160	6	\$658.00	\$0.00	\$186.16	\$61.84	\$109.67	\$0.00	\$540.08
D0170	4	\$185.00	\$29.92	\$68.00	\$30.00	\$46.25	\$7.48	\$155.08
D0180	19	\$1,567.00	\$396.80	\$145.00	\$0.00	\$82.47	\$20.88	\$1,170.20
D0210	126	\$14,491.96	\$1,304.17	\$185.00	\$-130.00	\$115.02	\$10.35	\$10,687.08
D0220	499	\$12,225.20	\$2,132.80	\$45.00	\$-29.00	\$24.50	\$4.27	\$9,082.74
D0230	377	\$7,446.63	\$1,175.35	\$40.00	\$0.00	\$19.75	\$3.12	\$5,748.42
D0240	26	\$793.95	\$12.29	\$43.00	\$20.75	\$30.54	\$0.47	\$781.66
D0270	15	\$352.00	\$34.88	\$28.00	\$0.00	\$23.47	\$2.33	\$302.12
D0272	217	\$8,600.30	\$1,251.64	\$60.00	\$15.00	\$39.63	\$5.77	\$6,813.76
D0274	639	\$36,192.40	\$4,655.45	\$90.00	\$-54.00	\$56.64	\$7.29	\$30,057.79
D0277	34	\$3,078.00	\$442.52	\$111.00	\$59.00	\$90.53	\$13.02	\$2,348.00
D0321	2	\$260.00	\$0.00	\$130.00	\$130.00	\$130.00	\$0.00	\$0.00
D0330	159	\$16,014.61	\$818.09	\$176.00	\$-111.00	\$100.72	\$5.15	\$13,984.26
D0340	1	\$114.00	\$0.00	\$114.00	\$114.00	\$114.00	\$0.00	\$114.00
D0350	11	\$696.00	\$166.08	\$75.00	\$12.00	\$63.27	\$15.10	\$529.92
D0425	2	\$20.00	\$0.00	\$10.00	\$10.00	\$10.00	\$0.00	\$20.00
D0431	5	\$215.00	\$0.00	\$70.00	\$15.00	\$43.00	\$0.00	\$0.00
D0460	21	\$949.02	\$33.84	\$66.00	\$43.58	\$45.19	\$1.61	\$915.18
D0470	12	\$1,016.62	\$113.76	\$195.00	\$-65.00	\$84.72	\$9.48	\$100.60
D0471	1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
D0999	1	\$20.00	\$0.00	\$20.00	\$20.00	\$20.00	\$0.00	\$0.00
D1110	1,199	\$103,649.44	\$12,740.83	\$150.00	\$-77.00	\$86.45	\$10.63	\$85,649.95
D1120	440	\$27,576.02	\$3,171.62	\$90.00	\$-55.00	\$62.67	\$7.21	\$22,590.44
D1203	352	\$10,895.87	\$889.14	\$50.00	\$0.00	\$30.95	\$2.53	\$9,296.45
D1204	85	\$2,244.75	\$0.00	\$45.00	\$0.00	\$26.41	\$0.00	\$0.00
D1206	62	\$2,554.00	\$134.30	\$58.00	\$-54.00	\$41.19	\$2.17	\$1,172.70
D1330	9	\$80.00	\$0.00	\$20.00	\$0.00	\$8.89	\$0.00	\$0.00
D1351	401	\$19,269.91	\$1,964.41	\$184.00	\$26.00	\$48.05	\$4.90	\$15,292.50
D1352	7	\$417.00	\$0.00	\$63.00	\$57.00	\$59.57	\$0.00	\$417.00
D1510	3	\$764.00	\$8.61	\$291.00	\$200.00	\$254.67	\$2.87	\$277.69
D1515	5	\$2,421.00	\$557.20	\$506.00	\$464.00	\$484.20	\$111.44	\$931.90
D1555	2	\$141.80	\$21.28	\$80.00	\$61.80	\$70.90	\$10.64	\$60.26
D2140	10	\$1,133.00	\$78.20	\$144.00	\$69.00	\$113.30	\$7.82	\$838.80
D2150	23	\$3,505.00	\$171.50	\$224.00	\$112.00	\$152.39	\$7.46	\$2,282.63
D2160	12	\$2,131.62	\$29.02	\$199.00	\$165.00	\$177.64	\$2.42	\$1,802.60
D2161	7	\$1,494.90	\$0.00	\$215.18	\$205.00	\$213.56	\$0.00	\$1,344.90
D2330	45	\$6,649.00	\$1,808.58	\$223.00	\$90.00	\$147.76	\$40.19	\$3,896.50
D2331	60	\$11,120.76	\$2,903.12	\$328.00	\$100.00	\$185.35	\$48.39	\$6,157.57
D2332	21	\$4,451.84	\$1,121.44	\$262.00	\$142.00	\$211.99	\$53.40	\$2,537.45
D2335	35	\$8,902.74	\$2,193.18	\$350.00	\$145.00	\$254.36	\$62.66	\$5,577.06
D2391	239	\$37,705.31	\$9,192.87	\$239.00	\$-118.74	\$157.76	\$38.46	\$21,936.73
D2392	290	\$60,104.40	\$15,358.30	\$355.00	\$-251.00	\$207.26	\$52.96	\$37,145.51



D2393	75	\$18,745.41	\$3,773.22	\$394.00	\$159.00	\$249.94	\$50.31	\$11,853.43
D2394	13	\$3,723.30	\$655.50	\$352.00	\$210.00	\$286.41	\$50.42	\$2,680.75
D2544	2	\$2,498.00	\$798.77	\$1,249.00	\$1,249.00	\$1,249.00	\$399.39	\$450.23
D2630	1	\$550.00	\$123.09	\$550.00	\$550.00	\$550.00	\$123.09	\$426.91
D2643	3	\$3,283.00	\$1,940.44	\$1,230.00	\$931.00	\$1,094.33	\$646.81	\$845.04
D2644	4	\$4,260.00	\$2,361.44	\$1,230.00	\$1,010.00	\$1,065.00	\$590.36	\$1,848.56
D2651	1	\$680.00	\$382.74	\$680.00	\$680.00	\$680.00	\$382.74	\$297.26
D2710	2	\$2,280.00	\$947.43	\$1,140.00	\$1,140.00	\$1,140.00	\$473.72	\$192.57
D2740	53	\$59,758.00	\$26,623.96	\$1,485.00	\$721.00	\$1,127.51	\$502.34	\$17,532.59
D2742	2	\$400.00	\$0.00	\$200.00	\$200.00	\$200.00	\$0.00	\$0.00
D2750	70	\$77,503.00	\$35,078.23	\$1,400.00	\$-1,385.00	\$1,107.19	\$501.12	\$25,893.99
D2751	12	\$9,629.00	\$3,578.80	\$1,155.00	\$675.00	\$802.42	\$298.23	\$3,943.68
D2752	10	\$10,345.00	\$4,663.04	\$1,100.00	\$925.00	\$1,034.50	\$466.30	\$3,616.96
D2790	9	\$9,696.00	\$4,735.68	\$1,320.00	\$710.00	\$1,077.33	\$526.19	\$3,660.32
D2792	2	\$1,450.00	\$554.96	\$725.00	\$725.00	\$725.00	\$277.48	\$845.04
D2910	1	\$118.00	\$78.81	\$118.00	\$118.00	\$118.00	\$78.81	\$0.00
D2920	18	\$1,627.87	\$828.08	\$150.00	\$40.87	\$90.44	\$46.00	\$163.48
D2930	39	\$8,612.00	\$3,227.80	\$276.00	\$-255.00	\$220.82	\$82.76	\$3,025.47
D2934	4	\$1,200.00	\$292.10	\$300.00	\$300.00	\$300.00	\$73.03	\$228.73
D2940	8	\$530.55	\$169.35	\$108.00	\$42.00	\$66.32	\$21.17	\$192.78
D2950	96	\$22,972.74	\$9,796.62	\$328.00	\$-279.00	\$239.30	\$102.05	\$5,784.29
D2952	5	\$2,471.00	\$905.95	\$728.00	\$315.00	\$494.20	\$181.19	\$387.05
D2954	11	\$3,323.50	\$1,644.90	\$336.00	\$217.00	\$302.14	\$149.54	\$1,243.60
D2962	12	\$12,912.00	\$0.00	\$1,076.00	\$1,076.00	\$1,076.00	\$0.00	\$0.00
D2970	5	\$1,375.00	\$0.00	\$275.00	\$275.00	\$275.00	\$0.00	\$0.00
D2980	1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
D3120	32	\$1,342.47	\$141.35	\$80.00	\$26.00	\$41.95	\$4.42	\$1,096.86
D3220	20	\$3,080.00	\$743.59	\$191.00	\$106.00	\$154.00	\$37.18	\$2,136.41
D3221	2	\$390.00	\$132.30	\$200.00	\$190.00	\$195.00	\$66.15	\$157.70
D3240	1	\$246.00	\$-60.00	\$306.00	\$-306.00	\$246.00	\$-60.00	\$-37.20
D3310	13	\$9,781.00	\$3,233.40	\$1,007.00	\$-880.00	\$752.38	\$248.72	\$5,473.36
D3320	13	\$9,962.00	\$1,924.50	\$1,017.00	\$-1,017.00	\$766.31	\$148.04	\$6,769.53
D3330	34	\$33,082.62	\$6,051.50	\$1,230.00	\$625.00	\$973.02	\$177.99	\$22,540.70
D3331	-1	\$-550.00	\$-382.98	\$-550.00	\$-550.00	\$550.00	\$382.98	\$0.00
D3346	1	\$850.00	\$0.00	\$850.00	\$850.00	\$850.00	\$0.00	\$0.00
D3348	3	\$3,810.00	\$969.66	\$1,397.00	\$1,055.00	\$1,270.00	\$323.22	\$2,740.34
D3421	1	\$1,328.00	\$707.63	\$1,328.00	\$1,328.00	\$1,328.00	\$707.63	\$570.37
D3425	1	\$1,190.00	\$488.51	\$1,190.00	\$1,190.00	\$1,190.00	\$488.51	\$651.49
D3426	1	\$402.00	\$168.17	\$402.00	\$402.00	\$402.00	\$168.17	\$233.83
D3430	3	\$938.00	\$422.63	\$346.00	\$296.00	\$312.67	\$140.88	\$515.37
D4211	5	\$847.56	\$97.44	\$300.00	\$0.00	\$169.51	\$19.49	\$455.12
D4241	3	\$1,331.00	\$261.20	\$494.00	\$343.00	\$443.67	\$87.07	\$525.80
D4245	1	\$246.00	\$0.00	\$246.00	\$246.00	\$246.00	\$0.00	\$196.00
D4260	5	\$5,136.26	\$339.48	\$1,070.00	\$900.26	\$1,027.25	\$67.90	\$2,400.26
D4263	6	\$2,624.00	\$836.20	\$550.00	\$250.00	\$437.33	\$139.37	\$1,287.80
D4266	2	\$905.00	\$0.00	\$705.00	\$200.00	\$452.50	\$0.00	\$0.00
D4270	3	\$2,073.00	\$75.54	\$691.00	\$691.00	\$691.00	\$25.18	\$1,800.00
D4273	4	\$3,526.00	\$659.70	\$925.00	\$838.00	\$881.50	\$164.93	\$1,524.17
D4341	99	\$20,676.48	\$3,820.60	\$297.00	\$60.00	\$208.85	\$38.59	\$13,568.84
D4342	43	\$6,638.48	\$2,580.10	\$220.00	\$60.00	\$154.38	\$60.00	\$3,358.38
D4355	25	\$3,774.66	\$874.06	\$205.00	\$85.00	\$150.99	\$34.96	\$1,700.60
D4381	54	\$7,111.00	\$0.00	\$328.00	\$29.00	\$131.69	\$0.00	\$0.00
D4910	201	\$26,488.65	\$1,795.40	\$193.00	\$-143.00	\$131.78	\$8.93	\$23,321.29
D4999	5	\$265.00	\$0.00	\$152.00	\$20.00	\$53.00	\$0.00	\$0.00
D5110	1	\$1,722.00	\$0.00	\$1,722.00	\$1,722.00	\$1,722.00	\$0.00	\$0.00
D5140	1	\$1,150.00	\$434.58	\$1,150.00	\$1,150.00	\$1,150.00	\$434.58	\$715.42
D5212	1	\$1,689.00	\$1,045.42	\$1,689.00	\$1,689.00	\$1,689.00	\$1,045.42	\$322.77
D5213	1	\$945.00	\$220.00	\$945.00	\$945.00	\$945.00	\$220.00	\$725.00
D5214	2	\$2,650.00	\$1,200.00	\$1,325.00	\$1,325.00	\$1,325.00	\$600.00	\$1,400.00

D5225	0	\$0.00	\$0.00	\$1,452.00	\$-1,452.00	\$0.00	\$0.00	\$278.24
D5226	0	\$0.00	\$1,045.42	\$1,689.00	\$-1,689.00	\$0.00	\$0.00	\$243.52
D5422	1	\$57.47	\$0.00	\$57.47	\$57.47	\$57.47	\$0.00	\$57.47
D5650	7	\$1,098.68	\$34.32	\$221.00	\$70.00	\$156.95	\$4.90	\$392.36
D5711	1	\$595.00	\$187.90	\$595.00	\$595.00	\$595.00	\$187.90	\$407.10
D5750	2	\$600.00	\$29.11	\$350.00	\$250.00	\$300.00	\$14.56	\$570.89
D5761	2	\$661.10	\$28.90	\$345.00	\$316.10	\$330.65	\$14.45	\$632.20
D5810	1	\$787.00	\$0.00	\$787.00	\$787.00	\$787.00	\$0.00	\$0.00
D5820	2	\$1,045.00	\$0.00	\$1,045.00	\$0.00	\$522.50	\$0.00	\$0.00
D6010	12	\$21,060.00	\$0.00	\$2,190.00	\$1,500.00	\$1,755.00	\$0.00	\$0.00
D6053	1	\$2,600.00	\$1,781.61	\$2,600.00	\$2,600.00	\$2,600.00	\$1,781.61	\$768.39
D6057	3	\$2,600.00	\$0.00	\$1,400.00	\$600.00	\$866.67	\$0.00	\$0.00
D6068	2	\$2,925.00	\$1,662.98	\$1,500.00	\$1,425.00	\$1,462.50	\$831.49	\$1,262.02
D6069	1	\$1,200.00	\$577.38	\$1,200.00	\$1,200.00	\$1,200.00	\$577.38	\$572.62
D6069	2	\$1,800.00	\$0.00	\$900.00	\$900.00	\$900.00	\$0.00	\$0.00
D6240	5	\$4,652.00	\$600.36	\$1,189.00	\$400.00	\$930.40	\$120.07	\$443.64
D6750	6	\$6,608.00	\$1,640.89	\$1,199.00	\$1,050.00	\$1,101.33	\$273.48	\$1,117.12
D8930	1	\$156.00	\$61.06	\$156.00	\$156.00	\$156.00	\$61.06	\$44.94
D7111	2	\$210.00	\$56.86	\$135.00	\$75.00	\$105.00	\$28.43	\$103.14
D7140	125	\$18,479.66	\$5,140.44	\$240.00	\$-153.00	\$147.84	\$41.12	\$10,426.94
D7210	134	\$38,814.70	\$8,821.50	\$1,925.00	\$0.00	\$289.66	\$65.83	\$14,373.02
D7220	12	\$3,964.00	\$1,210.40	\$353.00	\$268.00	\$330.33	\$100.87	\$2,061.60
D7230	26	\$11,252.00	\$3,571.92	\$482.00	\$280.00	\$432.77	\$137.38	\$6,642.08
D7240	34	\$16,102.00	\$4,595.58	\$542.00	\$286.00	\$473.59	\$135.16	\$9,745.53
D7241	5	\$3,296.00	\$1,223.70	\$672.00	\$666.00	\$659.20	\$244.74	\$1,795.96
D7250	4	\$1,215.00	\$402.00	\$326.00	\$279.00	\$303.75	\$100.50	\$434.00
D7280	4	\$1,609.00	\$354.30	\$513.00	\$70.00	\$402.25	\$88.58	\$1,204.70
D7283	3	\$657.00	\$263.48	\$219.00	\$219.00	\$219.00	\$87.83	\$106.71
D7286	2	\$500.00	\$12.06	\$300.00	\$200.00	\$250.00	\$6.03	\$437.94
D7310	3	\$268.00	\$0.00	\$268.00	\$0.00	\$89.33	\$0.00	\$0.00
D7311	1	\$194.00	\$0.00	\$194.00	\$194.00	\$194.00	\$0.00	\$0.00
D7510	1	\$341.00	\$153.40	\$341.00	\$341.00	\$341.00	\$153.40	\$137.60
D7530	1	\$195.00	\$0.00	\$195.00	\$195.00	\$195.00	\$0.00	\$0.00
D7540	2	\$275.00	\$0.00	\$275.00	\$0.00	\$137.50	\$0.00	\$0.00
D7910	1	\$90.00	\$0.00	\$90.00	\$90.00	\$90.00	\$0.00	\$90.00
D7953	8	\$4,039.00	\$2,125.44	\$868.00	\$270.00	\$504.88	\$265.68	\$473.56
D7960	2	\$1,224.00	\$335.48	\$746.00	\$478.00	\$612.00	\$167.74	\$410.52
D8030	1	\$922.50	\$0.00	\$922.50	\$922.50	\$922.50	\$0.00	\$422.50
D8040	2	\$1,049.85	\$0.00	\$900.00	\$149.85	\$524.93	\$0.00	\$474.93
D8060	4	\$3,327.87	\$0.00	\$1,057.87	\$650.00	\$831.97	\$0.00	\$680.00
D8070	2	\$625.00	\$0.00	\$362.50	\$262.50	\$312.50	\$0.00	\$262.50
D8080	21	\$28,239.50	\$4,805.50	\$4,850.00	\$-1,800.00	\$1,344.74	\$228.83	\$7,676.92
D8090	16	\$29,383.38	\$2,010.00	\$5,500.00	\$-620.00	\$1,836.46	\$125.63	\$3,449.37
D8210	1	\$425.00	\$0.00	\$425.00	\$425.00	\$425.00	\$0.00	\$0.00
D8220	1	\$795.00	\$595.00	\$795.00	\$795.00	\$795.00	\$595.00	\$75.00
D8660	3	\$750.00	\$376.32	\$250.00	\$250.00	\$250.00	\$125.44	\$36.84
D8670	567	\$221,593.34	\$1,651.39	\$5,245.00	\$-4,072.50	\$390.82	\$2.91	\$33,474.01
D8680	2	\$210.00	\$0.00	\$210.00	\$0.00	\$105.00	\$0.00	\$0.00
D8889	8	\$1,584.89	\$490.89	\$279.89	\$-235.00	\$198.11	\$61.36	\$146.67
D9003	1	\$23.00	\$0.00	\$23.00	\$23.00	\$23.00	\$0.00	\$0.00
D9110	12	\$1,217.00	\$243.04	\$250.00	\$50.00	\$101.42	\$20.25	\$973.96
D9111	2	\$110.00	\$0.00	\$55.00	\$55.00	\$55.00	\$0.00	\$0.00
D9120	1	\$98.14	\$0.00	\$98.14	\$98.14	\$98.14	\$0.00	\$98.14
D9210	1	\$30.00	\$6.65	\$30.00	\$30.00	\$30.00	\$6.65	\$0.00
D9211	12	\$408.72	\$0.00	\$34.06	\$34.06	\$34.06	\$0.00	\$408.72
D9215	2	\$78.00	\$31.30	\$39.00	\$39.00	\$39.00	\$15.65	\$0.00
D9220	29	\$12,894.00	\$3,630.40	\$550.00	\$244.00	\$444.62	\$125.19	\$6,733.95
D9221	4	\$754.00	\$182.50	\$210.00	\$160.00	\$188.50	\$45.63	\$363.83
D9230	98	\$5,015.35	\$1,102.15	\$145.00	\$20.00	\$51.18	\$11.25	\$1,989.67

D9241	6	\$2,145.00	\$598.32	\$493.00	\$200.00	\$357.50	\$99.72	\$899.68
D9242	3	\$756.00	\$540.75	\$640.00	\$58.00	\$252.00	\$180.25	\$99.25
D9248	24	\$4,247.50	\$2,905.70	\$313.00	\$45.00	\$176.98	\$121.11	\$922.54
D9310	6	\$741.52	\$0.00	\$198.26	\$65.00	\$123.59	\$0.00	\$741.52
D9430	1	\$70.00	\$3.10	\$70.00	\$70.00	\$70.00	\$3.10	\$66.90
D9610	1	\$35.00	\$0.00	\$35.00	\$35.00	\$35.00	\$0.00	\$0.00
D9630	7	\$319.00	\$0.00	\$100.00	\$11.00	\$45.57	\$0.00	\$0.00
D9910	8	\$295.00	\$0.43	\$43.00	\$27.00	\$36.88	\$0.06	\$294.57
D9911	1	\$104.00	\$37.10	\$104.00	\$104.00	\$104.00	\$37.10	\$66.90
D9920	1	\$110.00	\$0.00	\$110.00	\$110.00	\$110.00	\$0.00	\$0.00
D9921	1	\$34.06	\$0.00	\$34.06	\$34.06	\$34.06	\$0.00	\$0.00
D9940	15	\$8,492.00	\$0.00	\$865.00	\$387.00	\$566.13	\$0.00	\$0.00
D9941	1	\$125.00	\$0.00	\$125.00	\$125.00	\$125.00	\$0.00	\$0.00
D9950	1	\$100.00	\$0.00	\$100.00	\$100.00	\$100.00	\$0.00	\$0.00
D9951	22	\$2,443.88	\$29.00	\$125.00	\$0.00	\$111.08	\$1.32	\$2,414.88
D9952	1	\$250.00	\$0.00	\$250.00	\$250.00	\$250.00	\$0.00	\$250.00
D9971	1	\$45.00	\$12.77	\$45.00	\$45.00	\$45.00	\$12.77	\$0.00
D9972	3	\$287.00	\$0.00	\$287.00	\$0.00	\$95.67	\$0.00	\$0.00
D9973	1	\$57.00	\$0.00	\$57.00	\$57.00	\$57.00	\$0.00	\$0.00
D9974	1	\$310.00	\$0.00	\$310.00	\$310.00	\$310.00	\$0.00	\$0.00
D9999	9	\$311.00	\$0.00	\$100.00	\$10.00	\$34.55	\$0.00	\$0.00
INVPO	1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
T1356	1	\$55.00	\$0.00	\$55.00	\$55.00	\$55.00	\$0.00	\$0.00
T1698	1	\$40.00	\$0.00	\$40.00	\$40.00	\$40.00	\$0.00	\$0.00
<b>TOTAL:</b>	<b>9,704</b>	<b>\$1,409,272.41</b>	<b>\$268,653.15</b>	<b>\$101,085.09</b>	<b>\$37,682.54</b>	<b>\$381.68</b>	<b>\$103.40</b>	<b>\$679,690.66</b>

# City of Austin Dental Plans

## Claim Analysis By Coverage Code

Selection criteria: Date Paid From 4/1/2012 Thru 4/30/2012

Coverage Description	Relation	Whole	#Lines	\$Claimed	\$Paid
<b>Active Employee :</b>					
Standard Dental Plan					
Employee Only					
	Self	658	1,639	\$251,033.62	\$130,214.26
	* Total *	658	1,639	\$251,033.62	\$130,214.26
Employee and Spouse					
	Self	152	411	\$69,580.08	\$32,311.86
	Spouse	170	413	\$64,712.42	\$34,671.74
	* Total *	322	824	\$134,292.50	\$66,983.60
Employee and Children					
	Self	211	504	\$81,733.88	\$44,268.16
	Child	371	1,203	\$142,544.75	\$66,407.31
	* Total *	582	1,707	\$224,278.63	\$110,675.47
Employee and Domestic Partner					
	Self	21	46	\$7,194.55	\$4,274.35
	Domestic Partner	22	67	\$10,718.00	\$5,199.66
	* Total *	43	113	\$17,912.55	\$9,474.01
Employee and Domestic Partner and Children					
	Self	10	38	\$3,794.18	\$2,614.34
	Domestic Partner	14	55	\$14,052.00	\$4,720.66
	Child	34	137	\$22,169.96	\$7,558.45
	* Total *	58	230	\$40,016.14	\$14,893.45
Employee and Family					
	Self	440	1,091	\$180,848.57	\$93,263.20
	Spouse	411	1,052	\$191,721.91	\$81,165.08
	Domestic Partner	1	3	\$132.00	\$0.00
	Child	922	2,912	\$354,169.29	\$169,946.53
	* Total *	1,774	5,058	\$726,871.77	\$344,374.81
Premium Dental Plan					
Employee and Family					
	Self	1	0	\$0.00	\$0.00
	Child	6	0	\$0.00	\$0.00
	* Total *	7	0	\$0.00	\$0.00
Unknown					
Employee Only					
	Spouse	3	6	\$348.00	\$0.00
	Domestic Partner	1	3	\$200.00	\$0.00
	Child	2	6	\$293.00	\$0.00
	* Total *	6	15	\$841.00	\$0.00
Employee and Children					
	Spouse	1	1	\$83.00	\$0.00
	Child	1	1	\$207.00	\$0.00
	* Total *	2	2	\$290.00	\$0.00
Employee and Domestic Partner and Children					
	Child	1	3	\$188.00	\$0.00
	* Total *	1	3	\$188.00	\$0.00
Employee and Family					
	Child	4	12	\$1,653.36	\$0.00
	* Total *	4	12	\$1,653.36	\$0.00
Unknown					
	Self	2	5	\$545.00	\$0.00
	Child	1	6	\$344.00	\$0.00
	* Total *	3	11	\$889.00	\$0.00
<b>Active Employee : TOTAL</b>					
	Self	1,495	3,734	\$594,729.88	\$306,946.17
	Spouse	585	1,472	\$256,865.33	\$115,836.82
	Domestic Partner	38	128	\$25,102.00	\$9,920.32
	Child	1,342	4,280	\$521,569.36	\$243,912.29
	* Total *	3,460	9,614	\$1,398,266.57	\$676,615.60

# City of Austin Dental Plans

## Claim Analysis By Coverage Code

Selection criteria: Date Paid From 4/1/2012 Thru 4/30/2012

Coverage Description	Relation	Whole	#Lines	\$Claimed	\$Paid
<b>COBRA Participants :</b>					
Standard Dental Plan					
Employee Only					
	Self	3	10	\$1,836.00	\$1,478.52
	* Total *	3	10	\$1,836.00	\$1,478.52
Dependents Only					
	Self	1	2	\$257.00	\$227.82
	Child	4	7	\$1,085.00	\$573.73
	* Total *	5	9	\$1,342.00	\$801.55
Employee and Family					
	Self	4	6	\$1,764.00	\$227.77
	Spouse	2	4	\$265.84	\$228.11
	Child	6	10	\$746.00	\$339.11
	* Total *	12	20	\$2,775.84	\$794.99
<b>COBRA Participants : TOTAL</b>					
	Self	8	18	\$3,857.00	\$1,934.11
	Spouse	2	4	\$265.84	\$228.11
	Child	10	17	\$1,831.00	\$912.84
	* Total *	20	39	\$5,953.84	\$3,075.06

### Annual Analysis by Budget Code

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# City of Austin Dental Plans

## Month-To-Month, Year-To-Date Averages

Selection criteria: Date thru 4/30/2012

EMPLOYEES					DEPENDENTS			
	Tot \$Paid	# Enrld	Avg	#Emps	Tot \$Paid	# Enrld	Avg \$Paid/Enrld	#Deps
2012/01								
Active	\$287,170.54	11,211	\$25.62	1,084	\$411,232.46	15,175	\$27.10	1,764
COBRA	\$1,469.86	37	\$39.73	5	\$277.12	37	\$7.49	2
2012/02								
Active	\$315,137.29	11,167	\$28.22	1,181	\$362,107.00	15,091	\$23.99	1,502
COBRA	\$1,948.58	39	\$49.96	6	\$1,601.50	45	\$35.59	7
2012/03								
Active	\$351,368.07	11,133	\$31.56	1,252	\$431,135.86	14,934	\$28.87	1,748
COBRA	\$2,093.44	37	\$56.71	5	\$2,553.98	38	\$67.21	8
2012/04								
Active	\$306,946.17	11,162	\$27.50	1,212	\$369,669.43	15,060	\$24.55	1,512
COBRA	\$1,934.11	38	\$50.90	5	\$1,140.95	40	\$28.52	7
2012/05								
2012/06								
2012/07								
2012/08								
2012/09								
2012/10								
2012/11								
2012/12								
Total/Ave	\$1,268,073.06	44,824	\$28.29	4,750	\$1,579,718.30	60,420	\$26.15	6,551

# City of Austin Dental Plans

## Dental Annual Analysis

Selection criteria: PLAN ALL, YEAR 2012

	January	February	March	April	May	June	July	August	September	October	November	December	Year-to-Date
<b>Claimed</b>	\$1,411,463.11	\$1,473,258.78	\$1,534,029.25	\$1,409,272.41									\$5,828,023.55
<b>Paid</b>	\$700,149.98	\$680,794.37	\$787,156.35	\$679,690.66									\$2,847,791.36
			<b>QI2012</b>			<b>QII2012</b>			<b>QIII2012</b>			<b>QIV2012</b>	
<b>Claimed</b>			\$4,418,751.14			\$1,409,272.41			\$0.00			\$0.00	
<b>Paid</b>			\$2,168,100.70			\$679,690.66			\$0.00			\$0.00	

Selection criteria: PLAN Standard, YEAR 2012

	January	February	March	April	May	June	July	August	September	October	November	December	Year-to-Date
<b>Claimed</b>	\$1,400,902.29	\$1,465,812.19	\$1,519,962.15	\$1,400,359.05									\$5,787,035.68
<b>Paid</b>	\$700,149.98	\$680,794.37	\$787,156.35	\$679,690.66									\$2,847,791.36
			<b>QI2012</b>			<b>QII2012</b>			<b>QIII2012</b>			<b>QIV2012</b>	
<b>Claimed</b>			\$4,386,676.63			\$1,400,359.05			\$0.00			\$0.00	
<b>Paid</b>			\$2,168,100.70			\$679,690.66			\$0.00			\$0.00	

Selection criteria: PLAN Premium, YEAR 2012

	January	February	March	April	May	June	July	August	September	October	November	December	Year-to-Date
<b>Claimed</b>	\$0.00	\$0.00	\$0.00	\$0.00									\$0.00
<b>Paid</b>	\$0.00	\$0.00	\$0.00	\$0.00									\$0.00
			<b>QI2012</b>			<b>QII2012</b>			<b>QIII2012</b>			<b>QIV2012</b>	
<b>Claimed</b>			\$0.00			\$0.00			\$0.00			\$0.00	
<b>Paid</b>			\$0.00			\$0.00			\$0.00			\$0.00	

# City of Austin Dental Plans

## Open & Pended Claims

Selection criteria: Stat. to date 4/30/2012

### Open Claims

Incurred	Rcvd ->	2012/04	2012/03	early than 2012/02
2012/04	Count:			
	Claimed:			
2012/03	Count:			
	Claimed:			
<b>Total</b>		<b>0</b>		
		<b>\$0.00</b>		

### Pended Claims

Incurred	Pended ->	2012/04	2012/03	early than 2012/02
2012/04	Count:	4		
	Claimed:	\$5,895.00		
2012/03	Count:	1	1	
	Claimed:	\$147.00	\$1,485.00	
2011/12	Count:			1
	Claimed:			\$540.00
2011/09	Count:			1
	Claimed:			\$2,380.00
2011/07	Count:			1
	Claimed:			\$104.00
2011/06	Count:		1	1
	Claimed:		\$432.00	\$270.00
2011/05	Count:			1
	Claimed:			\$441.00
2011/03	Count:			1
	Claimed:			\$2,184.00
2011/02	Count:			1
	Claimed:			\$75.00
2010/08	Count:			2
	Claimed:			\$1,591.00
2008/10	Count:			1
	Claimed:			\$970.00
	Claimed:			
<b>Total</b>		<b>5</b>	<b>2</b>	<b>10</b>
		<b>\$6,042.00</b>	<b>\$1,917.00</b>	<b>\$8,555.00</b>

**CompuSys/Erisa Group, Inc.**

**Report on the Description of System, Suitability of Design  
and Operating Effectiveness of Controls  
For the period January 1, 2011 through December 31, 2011**

CompuSys/Erisa Group, Inc.  
Report on the Description of System, Suitability of Design  
and Operating Effectiveness of Controls  
For the Period January 1, 2011 through December 31, 2011

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II	Assertion of CompuSys/Erisa Group, Inc.
III	Description of the System provided by CompuSys/Erisa Group, Inc. <ul style="list-style-type: none"><li>Relevant Aspects of the Control Environment<ul style="list-style-type: none"><li>• Organization and Management</li><li>• Information and Communication</li><li>• Monitoring</li><li>• Risk Assessment</li></ul></li><li>CompuSys/Erisa Group Inc.'s Description of the System<ul style="list-style-type: none"><li>• Description of Claims and Disbursements Processing</li><li>• Information Technology and Systems Security</li><li>• Description of General Computer Controls</li></ul></li><li>Complementary User Entity Controls</li><li>Control Objectives and Related Control Activities</li></ul> <p><i>CompuSys/Erisa's control objectives and related control activities are included in Section IV of this report, "Information Provided by Independent Service Auditor." Although the control objectives and related controls are presented in Section IV, they are an integral part of CompuSys/Erisa's description of the system.</i></p> <ul style="list-style-type: none"><li>Information Provided by the Independent Service Auditor</li></ul>
IV	<ul style="list-style-type: none"><li>• Purpose and Objectives of the Report</li><li>• Tests of Operating Effectiveness</li></ul>

## **Section I—Independent Service Auditor's Report**

Independent Service Auditor's Report on the Description of CompuSys/Erisa Group, Inc.'s CEBAS System and the Suitability of the Design and Operating Effectiveness of Controls

Board of Directors  
CompuSys/Erisa Group, Inc.  
Austin, Texas

### **Scope**

We have examined CompuSys/Erisa Group, Inc.'s description of its CEBAS system for processing user entities' claims and disbursements throughout the period January 1, 2011 to December 31, 2011 (description), and the suitability of the design and operating effectiveness of controls to achieve the related control objectives stated in the description. The description indicates that certain control objectives specified in the description can be achieved only if complementary user entity controls contemplated in the design of CompuSys/Erisa Group, Inc. controls are suitably designed and operating effectively, along with related controls at the service organization. We have not evaluated the suitability of the design or operating effectiveness of such complementary user entity controls.

### ***CompuSys/Erisa Group, Inc.'s Responsibilities***

In section II of this report, CompuSys/Erisa Group, Inc. has provided an assertion about the fairness of the presentation of the description and the suitability of the design and operating effectiveness of the controls to achieve the related control objectives stated in the description. CompuSys/Erisa Group, Inc. is responsible for preparing the description and for the assertion, including the completeness, accuracy, and method of presentation of the description and the assertion, providing the services covered by the description, specifying the control objectives and stating them in the description, identifying the risks that threaten the achievement of the control objectives, selecting the criteria, and designing, implementing, and documenting controls to achieve the related control objectives stated in the description.

### ***Service Auditor's Responsibilities***

Our responsibility is to express an opinion on the fairness of the presentation of the description and on the suitability of the design and operating effectiveness of the related controls to achieve the control objectives stated in the description, based on our examination. We conducted our examination in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform our examination to obtain reasonable assurance about whether, in all material respects, the description is fairly presented and the controls were suitably designed and operating effectively to achieve the related control objectives stated in the description throughout the period January 1, 2011, to December 31, 2011.

An examination of a description of a service organization's system and the suitability of the design and operating effectiveness of the service organization's controls to achieve the related control objectives stated in the description involves performing procedures to obtain evidence about the fairness of presentation of the description of the system and the suitability of the design and operating effectiveness of those controls to achieve the related control objectives stated in the description. Our procedures included assessing the risks that the description is not fairly presented and that the controls were not suitably designed or operating effectively to achieve the related control objectives stated in the description. Our procedures also included testing the operating effectiveness of those controls that we consider necessary to provide reasonable assurance that the related controls objectives stated in the description were achieved. An examination engagement of this type also includes evaluating the overall presentation of the description and the suitability of the control objectives stated therein, and the suitability of the criteria specified by the service organization and described in management's assertion in section II of this report. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

### ***Inherent Limitations***

Because of their nature, controls at a service organization may not prevent, or detect and correct, all errors or omissions in processing or reporting transactions. Also, the projection to the future of any evaluation of the fairness of the presentation of the description, or conclusions about the suitability of design or operating effectiveness of the controls to achieve the related control objectives, is subject to the risk that controls at a service organization may become inadequate or fail.



### *Opinion*

In our opinion, in all material respects, based on the criteria described in CompuSys/Erisa's assertion in section II of this report:

- 1) The description fairly presents the claim and disbursement function of the CEBAS system that was designed and implemented throughout the period January 1, 2011, to December 31, 2011.
- 2) The controls related to the control objectives stated in the description of were suitably designed to provide reasonable assurance that the control objectives would be achieved if the controls operated effectively throughout the period January 1, 2011, to December 31, 2011, and user entities applied the complementary user entity controls contemplated in the design of CompuSys/Erisa Group, Inc.'s controls throughout the period January 1, 2011, to December 31, 2011.
- 3) The controls tested, which together with the complementary user entity controls referred to in the scope paragraph of this report, if operating effectively, were those necessary to provide reasonable assurance that the control objectives stated in the description were achieved, operated effectively throughout the period January 1, 2011, to December 31, 2011.

### *Description of Tests of Controls*

The specific controls tested and the nature, timing, and results of those tests are listed in section IV of this report

### *Restricted Use*

This report, including the description of tests of controls and results thereof in section IV of this report, is intended solely for the information and use of CompuSys/Erisa Group, Inc., user entities of CompuSys/Erisa Group, Inc.'s CEBAS processing system during some or all of the period January 01, 2011, to December 31, 2011, and the independent auditors of such user entities, who have a sufficient understanding to consider it, along with other information including information about controls implemented by user entities themselves, when assessing the risks of material misstatements of user entities' financial statements. This report is not intended to be and should not be used by anyone other than those specified parties.

*Robert E. & Co. CPAs*

Austin, Texas

May 23, 2012

**CompuSys/Erisa Group, INC.**  
Report on the Description of System, Suitability of Design  
and Operating Effectiveness of Controls  
For the Period January 1, 2011 through December 31, 2011

**Section II—Assertion of CompuSys, Inc.**

We have prepared the description of CompuSys/Erisa Group, Inc.'s CEBAS claim and disbursement processing system (description) for user entities of the system during some or all of the period January 1, 2011 to December 31, 2011, and their user auditors who have a sufficient understanding to consider it, along with other information, including information about controls implemented by user entities of the system themselves, when assessing the risks of material misstatements of user entities' financial statements. We confirm, to the best of our knowledge and belief, that:

- 1) The description fairly presents the CEBAS claim and disbursement processing system made available to user entities of the system during some or all of the period January 1, 2011 to December 31, 2011, for processing their transactions. The description in section III includes only the controls and related control objectives of CompuSys/Erisa Group, Inc. The criteria we used in making this assertion were that the description:
  - a) presents how the system made available to user entities of the system was designed and implemented to process relevant transactions, including, if applicable:
    - i) the types of services provided including, as appropriate, the classes of transactions processed.
    - ii) the procedures, within both automated and manual systems, by which services are provided, including, as appropriate, procedures by which transactions are initiated, authorized, recorded, processed, corrected as necessary, and transferred to reports and other information prepared for user entities.
    - iii) the related accounting records, supporting information, and specific accounts that are used to initiate, authorize, record, process, and report transactions; this includes the correction of incorrect information and how information is transferred to the reports and other information prepared for user entities.
    - iv) how the system captures significant events and conditions, other than transactions.
    - v) the process used to prepare reports and other information for user entities
    - vi) the specified control objectives and controls designed to achieve those objectives, including, as applicable, complementary user entity controls contemplated in the design of the service organization's controls.
    - vii) other aspects of our control environment, risk assessment process, information and communication systems (including related business processes), control activities, and monitoring controls that are relevant to processing and reporting transactions of user entities of the system.
  - b) does not omit or distort information relevant to the scope of the claim and disbursement processing system, while acknowledging that the description is presented to meet the common needs of a broad range of user entities of the system and their financial statement auditors, and may not, therefore, include every aspect of the payroll processing system that each individual user entity of the system and its auditor may consider important in its own particular environment.
  - c) includes relevant details of the changes to the claim and disbursement system during the period covered by the description.
- 2) The controls related to the control objectives stated in the description were suitably designed and operating effectively throughout the period January 1, 2011, to December 31, 2011, to achieve those control objectives. The criteria we used in making this assertion were that:
  - a) the risks that threaten the achievement of the control objectives stated in the description have been identified by management;
  - b) the controls identified in the description would, if operating as described, provide reasonable assurance that those risks would not prevent the control objectives stated in the description from being achieved; and the controls were consistently applied as designed, and manual controls were applied by individuals who have the appropriate competence and authority.

Section III—Description of the System Provided by CompuSys/Erisa Group, Inc.

**RELEVANT ASPECTS OF THE CONTROL ENVIRONMENT**

**Company Overview**

The CompuSys/Erisa Group of Companies is an independently owned, professional organization accredited and licensed as a Third Party Administrator of employee benefit programs. Since the establishment of our company in 1968, we have a proven history of providing our partners with innovative, responsive, and professionally managed benefit administration solutions. The scope of our expertise includes:

- Administration of medical, dental, and vision health insurance programs
- Implementing and maintaining eligibility/enrollment systems for both active and retiree populations
- Administration of payroll conversion plans
- COBRA administration
- 401(k) record keeping administration
- Administration of Section 125 benefits

CompuSys/Erisa is one of the pioneers in the creation, design, and implementation of benefits software. One of the distinguishing characteristics separating CompuSys from other vendors is our use of programs designed, created, and maintained by our own in-house team of programmers and IT staff. The combination of our dedicated team of technical specialists and access to our programs' source code truly provides CompuSys with the ability to provide our clients with responsive benefits administration solutions uniquely tailored to their specific needs and requirements.

Complementing our technical expertise is our team of experienced management, administration, and support professionals. As an organization with 44 years of practical benefits experience, we have developed techniques to accurately and effectively communicate benefits and relevant regulations to our clients' participants. This ongoing and consistent access to comprehensive, yet user-friendly, communication material supports an educated and informed participant population.

We believe that our combination of experienced staff, robust customer service, proven software delivery systems, and dedication to the provision of excellent service allows us to provide our clients with a competent and professionally managed administrative solution to their benefit needs.

**Control Environment**

The CEBAS system staff is made up with the following staff, each with different levels of system access and duties:

**Customer Service Representatives**

- Intake of customer inquiries and appropriate responses based on Plan Sponsor's Benefits Guide and internal CompuSys/Erisa protocols
- Inquiry Only Access to CEBAS

**Claims Processor**

- Process claims
- Update demographics

**Claims Manager**

- Process claims
- Process adjustments/re-issues
- Data Entry
- Print EOBs

- Member/patient and provider info edit

#### Administrator

- Check & clear file registers
- Process claims
- Data Entry
- Delete claims
- Note editing
- Print EOBs
- Generate Management Reports
- Member/patient info edit
- Provider info edit

#### Management's Philosophy and Operating Style

To serve all clients with an emphasis on:

- Accuracy
- Timeliness
- Courtesy
- Management Reports
- Cost Effectiveness

#### Human Resource Policies and Practices

CompuSys/Erisa's Human Resources Policies and Practices Manual contains the following

- Mission Statement – "Our primary mission is to provide all of our clients with the best service possible. We believe in operating our business with current technology and equipment but also with the "old fashioned" idea that people, both our clients and employees are our most important assets.
- Employment Guidelines
- Employee Benefit Programs
- Timekeeping/Payroll Protocol
- Work Conditions & Hours
- Overall Company Policies (i.e. Work Schedules, Use of Equipment, Emergency Closings (etc )
- Leave of Absence Policies
- Employee Conduct and Disciplinary Action

#### Training

Initial Dental Claims Training (4 week program) - Trainees are trained on:

- CEBAS/SENSIBLE SYSTEM as it relates to eligibility/claims screens for the adjudication process, and notepad documentation.
- Plan Sponsor's benefit guide and payment schedule
- Protocols established by CompuSys and the Plan Sponsor.
- Customer Service as it relates to dental claims processing

Ongoing training as needed for benefit changes, any government legislation, system changes affecting processing

## **Commitment to Competence**

Internal Audit Protocol – 5% of weekly claims output is internally monitored by the claims audit. The standard in place is:

- Financial Accuracy – 99%
- Procedural Accuracy – 97%
- Claims Turn-Around - 90% within 10-business days, 97% within 15-business days of receipt

## **Risk Assessment**

CompuSys/Erisa has placed into operation a process to identify and manage risks that could affect its ability to provide reliable claim and disbursement processing for plan sponsors. This process requires management to identify significant risks inherent in the processing of claim and disbursement data for plan sponsors and to implement appropriate measures to monitor and manage these risks.

Management meets regularly to discuss the risks the business is facing. These include various aspects of financial and technological risks, including risks introduced by changes in the nature of services provided and processing when applicable. In addition, each account manager meets with their staff on a regular basis to discuss any outstanding issues pertaining to the functioning of their team.

## **CompuSys/Erisa Group, Inc.'s Description of the System**

The primary control objective of CompuSys/Erisa Group, Inc.'s claim and disbursement system (CEBAS) is to ensure that all transactions are properly initiated, authorized, recorded, processed, reported and maintained. These controls are evident in every aspect of the business. The core service areas of CEBAS is claim adjudication, claim processing, claim distribution, and report generation.

CompuSys/Erisa provides its clients with various service level options to fit its client's needs. Clients are able to contract with CompuSys/Erisa on a service-by-service basis, determined by the products they require.

CompuSys/Erisa's control objectives and related controls are included in "Section III—Information Provided by Independent Service Auditor" to eliminate the redundancy that would result from listing them in both Sections II and III. Although the control objectives and related controls are included in Section III, they are an integral part of CompuSys/Erisa's description of the system.

## **Description of Transaction Processing**

### **Claim Processing**

Claims are processed on a daily basis. Upon receipt the claim is reviewed by the claims processor and a claim number is assigned upon initial posting. Once claims are entered into the system, they are auto processed for eligibility, duplicity and other items that do not qualify for benefits according to the plan. Once processed the claim then proceeds to the disbursement function.

### **Disbursements**

Once claims have been adjudicated, the administrator releases the claim for generation of checks and Explanation of Benefits (EOB). Checks and EOBs are printed the following day by computer operator and mailed by the inventory control clerk. An electronic file is then sent to the Plan Sponsor's bank for each batch of checks that have been issued. Checks are cleared on the system based on the bank's paid check report. The bank account is reconciled on a monthly basis by comparing the amount of checks issued by the system to the amount received by the bank as having been issued. The reconciliation is prepared by the administrator, reviewed by the Vice-President and then sent to the Plan Sponsor for additional verification.



### **Information Technology and Systems Security**

Description of CompuSys/Erisa's Information Technology (IT) Team

IT Team is composed of two programmers, one website designer, and one computer operator.

### **Description of Computerized Information Systems**

CEBAS SENSIBLE – Highly flexible dental claims adjudication system designed and maintained in house. Source code is retained internally. System allows for great flexibility in the following areas:

- Deductible tracking
- Maintenance of multiple accumulators
- Eligibility tracking on multiple levels
- Documentation – Customer Service and Claims processing Notepads
- Ability to have claim submission electronically
- Auto-adjudication function
- System safeguards provide edits for verification of eligibility, dependents, duplicity, turn-around-time, and enforcement of YTD and lifetime maximums
- Generation of standard and ad hoc reports

### **Description of General Computer Controls**

Access to the system is determined by a function hierarchy (i.e. Management, Technical Staff, claims processors, and customer service personnel), all have a different level of access to the system based on functions performed. The system employs passwords changed on a 90-day basis.

### **Physical Access to Server Room**

Access is by authorized security cards and key pad codes

### **Information Safeguards**

All information is maintained in a HIPAA compliant environment, using encryption and the utilization of secure sites to transmit and convey information.

### **Database Logging**

Requires password by function (i.e. you can only log into assigned functions) to log in and is changed on a 90-day basis. Passwords are changed by the computer programmer.



### **Complementary User Entity Controls**

Processing of transactions for users performed by CompuSys/Erisa and the control policies and procedures of CompuSys/Erisa covers only a portion of the overall internal control structure of each user. It is not feasible for the control objectives to be solely achieved by CompuSys/Erisa. Therefore, each CompuSys/Erisa user's internal control structure must be evaluated in conjunction with CompuSys/Erisa's control policies and procedures summarized in the report.

The following list describes certain controls that clients should consider to achieve the control objectives identified in this report. The client control considerations presented below should not be regarded as a comprehensive list of all controls that should be employed by clients. Client management is responsible for—

- 1) Controls are implemented by user entities to provide reasonable assurance that only authorized and properly trained personnel are allowed physical and logical access to CompuSys/Erisa systems;
- 2) Controls are implemented by user entities to provide reasonable assurance that proper controls over the use of user IDs and passwords that are used to access payroll information are established;
- 3) Controls are implemented by user entities to provide reasonable assurance that review of the annually prepared claim log and notifying CompuSys/Erisa of any changes is performed in a timely manner;
- 4) Controls are implemented by user entities to provide reasonable assurance that CompuSys/Erisa is notified of changes in the authorized contacts list;
- 5) Controls are implemented by user entities to provide reasonable assurance that the data entry when using the CEBAS system is accurate and complete;
- 6) Controls are implemented by user entities to provide reasonable assurance that error messages that result from entering claim data and addressing errors are reviewed in a timely manner;
- 7) Controls are implemented by user entities to provide reasonable assurance that the reports produced by CompuSys/Erisa after initial account setup, which provides a listing of each participants data, are reviewed to ensure that employee-level and company-level information has been processed completely and accurately;
- 8) Controls are implemented by user entities to provide reasonable assurance that participant data is submitted in accordance with the mutually agreed upon schedule;
- 9) Controls are implemented by user entities to provide reasonable assurance that the reports that are produced by CompuSys/Erisa are reviewed for completeness and accuracy;
- 10) Controls are implemented by user entities to provide reasonable assurance that checks are received and distributed;
- 11) Controls are implemented by user entities to provide reasonable assurance that bank accounts used for claim processing are reconciled on a timely basis each month;
- 12) Controls are implemented by user entities to provide reasonable assurance that claim reports and supporting documentation are retained for the appropriate length of time to comply with all federal, state and local compliance agencies;
- 13) Controls are implemented by user entities to provide reasonable assurance that all relevant correspondence with tax agencies is submitted to CompuSys/Erisa promptly, and

CompuSys/Erisa's status as an entity separate from its clients provides a certain amount of inherent segregation of functions. CompuSys/Erisa's employees are not authorized to initiate transactions or modify client files except through normal production procedures.

## Section IV—Information Provided by Independent Service Auditor

### ***Purpose and Objectives of the Report***

This report is intended to provide users of CompuSys/Erisa's activities with information about controls at CompuSys/Erisa that may affect the processing of user entities' transactions and to provide users with information about the operating effectiveness of the controls that were tested. This report, when combined with an understanding and assessment of the internal controls at user entities, is intended to assist the user auditor in (1) planning the audit of the user's financial statements and in (2) assessing control risk for assertions in the user's financial statements that may be affected by controls at CompuSys/Erisa.

Our examination was restricted to the description of the system, control objectives and the related control procedures specified in Section II by CompuSys/Erisa management and was not extended to procedures described elsewhere in this report but not listed, or to procedures that may be in effect at the user entity. The examination was conducted in accordance with the Statement on Standards for Attestation Engagements (SSAE) No. 16, *Reporting on Controls at a Service Organization*, (SOC 1) of the American Institute of Certified Public Accountants. It is each user auditor's responsibility to evaluate this information in relation to the controls in place at each user entity. If certain complementary user entity controls are not in place at the user entity organization, CompuSys/Erisa's controls may not compensate for such weaknesses.

The description of the system and control objectives are the responsibility of CompuSys/Erisa's management. Our responsibility is to express an opinion about whether—

- 1) The description fairly presents the claim and disbursement processing system that was designed and implemented throughout the period January 1, 2011 to December 31, 2011.
- 2) The controls related to the control objectives stated in the description of the system were suitably designed to provide reasonable assurance that the control objectives would be achieved if the controls operated effectively throughout the period January 1, 2011 to December 31, 2011, and user entities applied the complementary user entity controls contemplated in the design of CompuSys/Erisa's controls throughout the period January 1, 2011 to December 31, 2011.
- 3) The controls tested, which together with the complementary user entity controls referred to in the scope paragraph of this report, if operating effectively, were those necessary to provide reasonable assurance that the control objectives stated in the description were achieved, operated effectively throughout the period January 1, 2011 to December 31, 2011.

### ***Tests of Operating Effectiveness***

Our tests of the operational effectiveness of controls were designed to cover a representative number of transactions throughout the period of January 1, 2011 to December 31, 2011, for each of the controls, which are designed to achieve the specific control objectives. In selecting particular tests of the operational effectiveness of controls, we considered (a) the nature of the items being tested, (b) the types of available evidential matter, (c) the nature of the audit objectives to be achieved, (d) the assessed level of control risk, and (e) the expected efficiency and effectiveness of the test.

<b>Test</b>	<b>Description</b>
Corroborative Inquiry	Made inquiries of appropriate personnel responsible for the performance of the control activity and corroborated responses with management.
Observation	Observed the application of a specific control activity.
Inspection	Inspected documents and reports indicating the performance of the control activity.

**Control Objective 1:** Controls provide reasonable assurance that remote access to critical systems is controlled and limited to authorized individuals and Plan Sponsors.

Ref	CompuSys/Erisa Group, Inc.'s Controls	Service Auditor's Tests	Test Results
1.1	Password access and key code authorization	Through corroborative inquiry with key personnel, confirmed that they have a security system in place. Performed observation of system access and noted that access is restricted through electronic code keys and passwords.	No exceptions noted.  No exceptions noted.

**Control Objective 2:** Controls provide reasonable assurance that data transmissions between CompuSys/Erisa group, Inc. and its plan sponsors and participants are authorized.

Ref	CompuSys/Erisa Group, Inc.'s Controls	Service Auditor's Tests	Test Results
2.1	Name and information match with eligible participant.	Through corroborative inquiry with key personnel, confirmed that the security procedures are in place. Examined authorized claim form, noting authorization.	No exceptions noted.  No exceptions noted

**Control Objective 3:** Controls provide reasonable assurance that data transmissions between CompuSys/Erisa Group, Inc. and participants via voice response systems are authorized.

Ref	CompuSys/Erisa Group, Inc.'s Controls	Service Auditor's Tests	Test Results
3.1	Password and personal information check (birthdate, etc.)	Through corroborative inquiry with key personnel, confirmed that access to account information is checked against eligible participant information from observed phone conversation.	No exceptions noted.

**Control Objective 4:** Controls provide reasonable assurance that all mail/records are safeguarded upon receipt and distributed to the correct departments for processing in a timely manner.

Ref	CompuSys/Erisa Group, Inc.'s Controls	Service Auditor's Tests	Test Results
4.1	Mail opened and sorted by receptionist.	Through corroborative inquiry with key personnel, and observation that mail was opened when received.	No exceptions noted.
4.2	Mail delivered to appropriate staff.	Through corroborative inquiry with key personnel and observation that mail was delivered to appropriate personnel.	No exceptions noted.



**Control Objective 5:** Controls provide reasonable assurance that all additions and modifications to group account information are authorized, and recorded and processed completely, accurately, and on a timely basis.

Ref	CompuSys/Erisa Group, Inc.'s Controls	Service Auditor's Tests	Test Results
5.1	Pass codes to access information in order to make modifications.	Through corroborative inquiry with key personnel, confirmed that pass codes are used by authorized users. Observed the use of pass codes by authorized users.	No exceptions noted.  No exceptions noted.
5.2	Administrative check of changes.	Through corroborative inquiry with key personnel, confirmed that management reviews changes or modifications.	No exceptions noted.

**Control Objective 6:** Controls provide reasonable assurance that participant data received via hardcopy or electronically is recorded and processed accurately, completely and on a timely basis, and that modifications to participant data are valid and authorized.

Ref	CompuSys/Erisa Group, Inc.'s Controls	Service Auditor's Tests	Test Results
6.1	All sensitive participant data received electronically is through a secure email and mail is distributed to the proper personnel.	Through corroborative inquiry with key personnel, confirmed that email used for sensitive data is secure and noted receptionist sorting and distributing mail. Observed that a secure email system is being utilized. All mail is sorted and distributed by someone not associated with claims processing.	No exceptions noted.  No exceptions noted.
6.2	Claims are processed accurately within a ten day timeframe.	Examined a selected sample of claims noting timeframe between when claim was received and disbursement check was issued.	No exceptions noted.

**Control Objective 7:** Controls provide reasonable assurance that disbursements are authorized and valid.

Ref	CompuSys/Erisa Group, Inc.'s Controls	Service Auditor's Tests	Test Results
7.1	Authorized Claim form	Corroboratively inquired of management to verify the operating procedures around disbursement authorization. Inspected a selection of disbursements during the period under review, for evidence that the claim was approved for payment.	No exceptions noted.  No exceptions noted.
7.2	Amount indicated on claim agrees with approved fee schedule.	Corroboratively inquired of management to verify the operating procedures to agree claim to approved fee. Inspected a sample of claims and related disbursements and agreed to fee schedule.	No exceptions noted.  No exceptions noted.
7.3	Proper check authorization and payee.	Corroboratively inquired of management to verify the operating procedures around the disbursement function. Inspected a sample of disbursements verifying proper signature and endorsement.	No exceptions noted.  No exceptions noted.

**Control Objective 8:** Controls provide reasonable assurance that disbursements are recorded and processed accurately, completely and on a timely basis.

Ref	CompuSys/Erisa Group, Inc.'s Controls	Service Auditor's Tests	Test Results
8.1	Claims are processed within a ten day timeframe.	Corroboratively inquired of management to verify the operating procedures around disbursement procedures. Examined a selected sample of claims noting timeframe between when claim was received and disbursement check was issued.	No exceptions noted.  No exceptions noted
8.2	Disbursements are matched with user information.	Corroboratively inquired of management to verify the matching function. Examined a copy of bank reconciliation sent to user for verification and matching with the user information.	No exceptions noted.  No exceptions noted

**Control Objective 9:** Controls provide reasonable assurance that claim amounts are calculated, processed, and recorded accurately, completely and on a timely basis.

Ref	CompuSys/Erisa Group, Inc.'s Controls	Service Auditor's Tests	Test Results
9.1	Receipt of a valid Claim form.	Corroboratively inquired of management to verify the operating procedures around claim processing. Examined a sample of claim forms noting authorization.	No exceptions noted. No exceptions noted.
9.2	Valid claim amount.	Corroboratively inquired of management to verify the operating procedures around claim processing. Examined a sample of claim forms, agreeing amount of claim to fee schedule.	No exceptions noted. No exceptions noted.
9.3	Claim is processed within ten days.	Corroboratively inquired of management to verify the operating procedures around claim processing. Examined a sample of claim forms noting date received and comparing it to date of disbursement.	No exceptions noted. No exceptions noted.

**Control Objective 10:** Controls provide reasonable assurance that claims and appeals are approved by the plan sponsor, accurately recorded and processed on a timely basis.

Ref	CompuSys/Erisa Group, Inc.'s Controls	Service Auditor's Tests	Test Results
10.1	Valid claim form.	Corroboratively inquired of management to verify the operating procedures for claim processing.	No exceptions noted.
		Inspected a sample of claim forms noting authorization of acceptance.	No exceptions noted.
10.2	Claim disbursements are reviewed by user.	Corroboratively inquired of management to verify the operating procedures around sponsor approval and review.	No exceptions noted.
		Examined copy of bank reconciliation sent to plan sponsor for review that indicated claim disbursements.	No exceptions noted.



**CompuSys/Erisa currently administers both Health Reimbursement Accounts (HRAs) and Health Savings Accounts (HSAs). We are prepared to quickly develop and implement the City's plan of choice.**

**The following is a restatement and confirmation of CompuSys/Erisa Group, Inc.'s acceptance of and its current and ongoing ability to perform each requirement in Section 0500 Paragraph 7.1 through 7.15.3 of RFP No. JSD0124.**

**7.0 FLEXIBLE BENEFITS CLAIMS ADMINISTRATION**

- 7.1 The City determines eligibility and the Contractor must agree to abide by the City's policies and procedures regarding eligibility and coverage effective dates for all Covered Persons. Refer to **Exhibit 1: 2012 Employee Benefits Guide**.
- 7.2 The Contractor must maintain eligibility and claims records/history for all Covered Persons.
- 7.3 The Contractor must be able to accept the City's Benefits Enrollment forms.
- 7.4 The Contractor must use FHC and FDC deduction codes as defined on **Exhibit 3: Employee Benefits Deduction Codes**.
- 7.5 The Contractor must comply with the City's Payroll File specifications and receive electronic transmission of the Payroll File on a bi-weekly basis. The Contractor must accept the Payroll File layout as defined in **Exhibit 5: Payroll File Layout**.
- 7.6 The Contractor must track and have reporting capabilities for all information received from the City's benefits staff, the Payroll File, and the Benefits Enrollment forms. At the request of the City, the Contractor must have capability to key Benefits Enrollment forms.
- 7.7 The Contractor's system must:
  - 7.7.1 Track FHC and FDC amounts per pay period and annual elections.
  - 7.7.2 Process claims for FHC and FDC accounts in accordance with the City's plan documents and federal law and regulations.
  - 7.7.3 Process claims and payments weekly.
  - 7.7.4 Process manual FHC and FDC claims incurred in the carryover periods as allowed by IRS regulations.
  - 7.7.5 Provide printed account balance statements to Employees at a minimum of four times per year as designated by the City. Statements must be mailed to Employee's home address.
  - 7.7.6 Provide FHC and FDC account claims run-out services for up to six months after the termination of the contract for claims incurred for the prior year account balance. All fees must be quoted on a mature basis.
- 7.8 Provide customer service to Employees who have questions about claims, eligible expenses, account balances, and other related services.

- 7.9 Customer service line must be fully operational the first day of open enrollment in October 2012.
- 7.10 Have a process for resolving complaints/problems and a formal appeals process.
- 7.11 Generate deposit records and reconcile the accounts in accordance with the City's guidelines.
- 7.12 The Contractor must provide Employees enrolled in the FHC program a debit/credit card (Card).
  - 7.12.1 The Contractor must mail the Card(s) no later than ten business days from notice of eligibility.
  - 7.12.2 Employees who enroll for the first time or add dependents to the FHC programs during Open Enrollment must receive the Card(s) on or before December 31<sup>st</sup> of each year.
  - 7.12.3 Employees with covered dependents will receive two Cards, with the ability to have a dependent's name on one of the Card(s).
  - 7.12.4 The Contractor must mail the Card(s) directly to the Covered Persons' home address.
- 7.13 The Contractor must provide a website for Covered Persons to view their FHC claims status, account balance, etc. that includes both auto-adjudicated and manual claims.
- 7.14 Reconciliations
  - 7.14.1 The Contractor will receive the City's employment termination benefits report (Term Report) and the Payroll File three business days after each pay period ends. The Contractor must update the eligibility system accordingly.
  - 7.14.2 The Contractor must produce an Employee Discrepancy Report by comparing the Contractor's eligibility data against the Payroll File for both FHC and FDC elections. The Contractor must send report to the City within three business days of receiving the Payroll File.
- 7.15 Reporting
  - 7.15.1 All reports provided to the City must be available electronically.
  - 7.15.2 The Contractor must provide regular monthly, quarterly, and annual utilization reports online. Reports are due on the 10<sup>th</sup> day of the month following the last day of the time period for which the data reported.
  - 7.15.3 The Contractor will provide ad hoc reports as requested by the City.

**The following is a restatement and confirmation of CompuSys/Erisa Group, Inc.s acceptance of and its current and ongoing ability to perform each requirement in Section 0500 Paragraph 7.16 through 7.20.2 of RFP No. JSD0124.**

**The following pertains to the Childcare Assistance Program (CAP).**

Administration Requirements

- 7.16 Maintain eligibility and claims records/history for each program participant included on the approved eligibility list provided by the City.
- 7.17 The Contractor must be able to accept the City's Benefits Enrollment forms.
- 7.18 The Contractor must key, track, and have reporting capabilities for all information received from the City's benefits staff and Benefits Enrollment forms.
- 7.19 The Contractor's system must:
  - 7.19.1 Process claims for CAP in accordance with the City's plan.
  - 7.19.2 Process claims and payments weekly.
  - 7.19.3 Provide payments to childcare providers, unless otherwise authorized by the City, up to the amount allowed per child.
  - 7.19.4 Payments will be processed out of the City's zero balanced account as discussed in Paragraph 3.3 of Section 0500 Scope of Work document.

**7.20 Reporting**

- 7.20.1 Following Open Enrollment, the Contractor must provide the City a report comparing the Employee's FDC annual election and the annual CAP approved amount to ensure the combined annual total does not exceed the FDC maximum allowed by IRS regulations.
- 7.20.2 The Contractor must provide monthly and annual reports to the City reflecting Employee account balances and claim information (i.e. dependent name, date of service, provider name, etc.)

The following is a restatement and confirmation of CompuSys/Erisa Group, Inc.s acceptance of the requirement in Section 0500 Paragraph 8.0 of *RFP No. JSD0124*.

8.0 **PROCUREMENT CANCELLATION**

The City has the right to cancel this procurement at anytime

**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Attachment 2 Business Organization Questionnaire**

Proposer must complete a separate Business Organization Questionnaire for each requested service.  
 Indicate which service this questionnaire applies to: **Flexible Benefits Claims Administration**

	<b><u>Question</u></b>	<b><u>Response</u></b>		
1.	Name of Company?	CompuSys/Erisa Group, Inc.		
2.	Name of Parent Company (if applicable)?	CompuSys of Utah		
3.	Location of corporate office?	Salt Lake City, Utah		
4.	Legal form of organization (corporation, partnership, non-profit, etc.)?	Class S Corporation		
5.	How long has your company provided this service?	Since 1968		
6.	Number of participating employer group clients?	<u>Under 5,000 lives</u> 4	<u>Over 5,000 lives</u> 2	
7.	Number of public sector clients?	There are 5 (five) public sector clients.		
8.	Number of total covered lives in:	<u>2010</u> 16,012	<u>2011</u> 16,503	<u>2012</u> 16,784
9.	Do you anticipate a merger or acquisition within the next 2 years?	We do not anticipate a merger within the next 2 years.		
10.	Is there any litigation and/or government action pending, or has there been any taken or proposed against your company during the most recent five years?	There is not currently nor has there been within the most recent five years, any litigation and/or government action pending or proposed against our company.		
11.	Has your company experienced any security breaches where PHI was obtained from your system in the last 24 months? If yes, how long did it take for you to notify impacted participants and their employer?	CompuSys/Erisa Group, Inc. has not experienced any security breaches where PHI was obtained from our system at any point in time.		
12.	Describe any subcontractor relationships your company intends to utilize in the performance of services proposed and how long the relationship has been in place.	CompuSys/Erisa Group, Inc. has a subcontractor relationship with Metavante, the City's FSA debit card vendor. We have had this relationship since January 2011. Our prior vendor was Evolution from 2008 through 2010.		

Response to RFP No. JSD2014

Submitted by: CompuSys/Erisa Group, Inc.

Due Date: 5/30/2012

13.	Provide an organizational diagram that illustrates the legal relationship between all of the organizations involved in your proposed solution to this RFP. Provide at a minimum, the name of the organization, legal relationship, and the length of the relationship.	We have no legal relationships with any other organization as we are a sole proprietorship.
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**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Attachment 3 Customer Service Questionnaire**

Proposer must complete a separate Customer Service Questionnaire for each requested service.  
 Indicate which service this questionnaire applies to: **Flexible Benefits Claims Administration**

	<u>Question</u>	<u>Response</u>		
1.	Location of customer service unit?	Summit Executive Suites 13706 Research Blvd. Suite 308 Austin, TX 78750		
2.	Total number of Customer Service Representatives (CSR)?	2.5 CSRs		
3.	Number of CSR staff designated to the City?	2.5 CSRs		
4.	Number of Spanish speaking CSRs designated to the City?	1		
5.	Target ratio of CSRs to enrolled participants?	1 CSR : 1500 enrolled participants		
6.	Average daily number of incoming calls?	52 (not including emails)		
7.	Average daily number of calls per CSR?	21 (not including emails)		
8.	Do you record all incoming calls?	We record all complex problem calls and all calls transferred to management.		
9.	How many months of history are available to CSRs?	CSRs have access to FLEXTRA Health Care and Dependent Care claim and enrollment history from 1999 to present.		
10.	Abandonment rate?	2009 <3%	2010 <3%	2011 <3%
11.	Average speed to answer in seconds?	< 30 seconds	< 30 seconds	< 30 seconds
12.	Member satisfaction level?	high	high	high
13.	First call resolution rate?	> 90%	> 90%	> 90%
14.	Turn over rate for customer service unit?	0%	0%	0%
15.	Average response time for resolving customer inquiries and complaints?	Within 1 business day	Within 1 business day	Within 1 business day

Response to RFP No.JSD0124

Submitted by: CompuSys/Erisa Group, Inc.

Due Date: 5/30/2012

16.	How do you measure Covered Person satisfaction?	Covered person satisfaction is measured by input from employees , dependent debit cardholders & City Benefits Staff. We would like to do a COA approved customer satisfaction survey in 2013.
17.	How are complaints/problems handled and resolved?	CSR 1 <sup>st</sup> level CSR Manager – 2 <sup>nd</sup> level Operations Manager – 3 <sup>rd</sup> level Project Director – 4 <sup>th</sup> level Any complaints not resolved within the above 4 levels are referred to the City's Benefits Division for guidance.
18.	Total number of grievances filed within the last 12 months? Number pending? Number resolved?	2 formal grievances have been filed within the last 12 months. 0 pending, 2 resolved.
19.	What on-line services are available (i.e., email inquiries, claim status, provider directory, replacement ID cards, plan provisions, Explanation of Benefits, etc.)?	Available online services include: email inquires, Health Care and Dependent Care reimbursement claim submission, account balance, claim/payroll/enrollment history for 2 plan years, list of eligible FSA expenses and downloadable forms for direct deposit, debit card documentation, Health Care and Dependent Care reimbursement., See FLEXTRA demonstration website: <a href="http://www.coaflextra.com">www.coaflextra.com</a>
20.	List the various communications you can provide in Spanish? For example: 1) Confirmation of Coverage Statement, 2) COBRA notification letters, and 3) Dental claim EOB.	CompuSys has the capability of providing all employee, retiree, self-pay, domestic partners and COBRA communications in Spanish.

**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Attachment 4 Account Team Information**

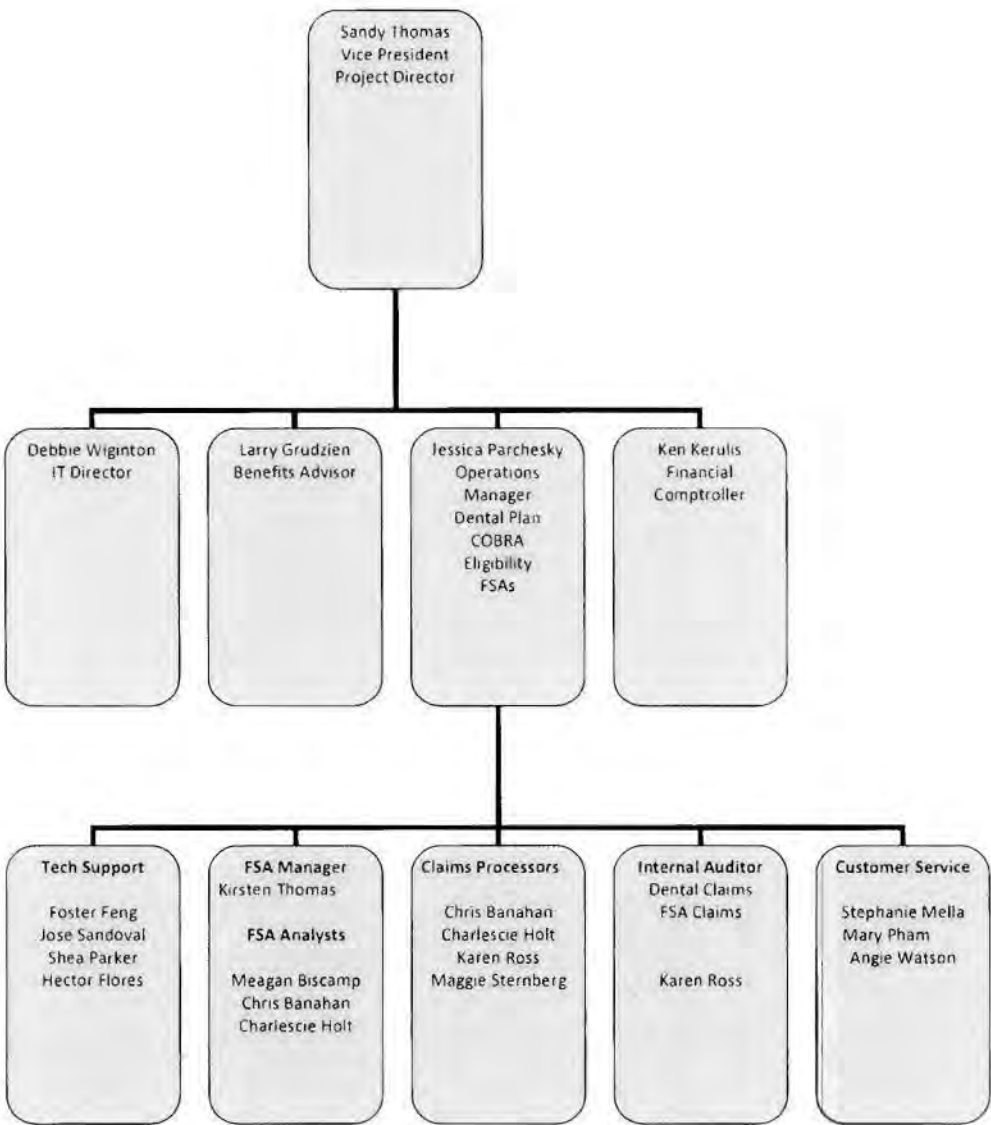
Proposer must complete a separate Account Team Information document for each requested service. Indicate which service this information applies to: **Self-funded Dental Plan Claims Administration**

Provide a one-page diagram of your account team's service hierarchy, including employer contact pathways to include a resume for the proposed account team members. **Our organization is small with a transparent hierarchy. We provide the City with ready access to all CompuSys/Erisa employees. A copy of our organizational chart is attached.**

Account Team Staff	Response
<b>Staff Name:</b>	Karen Ross - Auditor
Location:	Austin, TX
Years with company:	21 years
Total number of accounts to service:	1
Percent of time dedicated to the City:	100%
<b>Staff Name:</b>	Maggie Sternberg
Location:	Austin, TX
Years with company:	10 years
Total number of accounts to service:	1
Percent of time dedicated to the City:	100%
<b>Staff Name:</b>	Charlescie Holt
Location:	Austin, TX
Years with company:	20 years
Total number of accounts to service:	2
Percent of time dedicated to the City:	25%
<b>Staff Name:</b>	Stephanie Mella
Location:	Austin, TX
Years with company:	1 year
Total number of accounts to service:	1
Percent of time dedicated to the City:	33 1/3%

Organization Chart

CompuSys/Erisa Group, Inc.



**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Attachment 5 System Capabilities Questionnaire**

Proposer must complete a separate System Capabilities Questionnaire for each requested service.

Indicate which service this questionnaire applies to: **Flexible Benefits Claims Administration**

	<u>Question</u>	<u>Response</u>
1.	What is the name of the system?	CEBAS SENSIBLE is a Windows-based system developed & supported on-site Using but not limited to the following software:VB.Net,SQL,XSLT,XML,HTML,AJAX, Javascript,ASP.Net, Visual Basic & Powerhouse
2.	Is your application web-based or client-based?	Our application is a web-client based hybrid.
3.	What database do you use for the back-end?	SQL
4.	Do you provide web services or custom interfaces (API) to interact with your system?	CompuSys can provide custom interfaces (API) to interact with CEBAS
5.	What is your uptime percentage?	99%
6.	What is your disaster recovery plan?	A copy of our disaster recovery plan can be found Appendix W of this RFP
7.	How quickly can your system be up and running in case of down time?	Our system can be up and running within 1-2 hours. We employ 2 redundant back-up servers
8.	Do you utilize SSL?	CompuSys utilizes SSL to encrypt and secure data being displayed on websites displaying sensitive/confidential information
9.	What type of encryption do you apply to data and files?	CompuSys uses both SSL and PGP encryption for data and files.
10.	What is your process for sending encrypted email information?	PGP, Secure Password Zip file, Secure Subject-Password protected
11.	Is your system a per-user license or unlimited access?	Our system is an in-house system with access limited to contracted clients.
12.	Please explain your conversion process for receiving and/or sending data? Is the data transferred via files (email and/or FTP) or via a website (file upload through system)?	Data is transferred via files, (e-mail and/or FTP), as well as via website (file upload through system. All data converted from our system which is sent and received by business associates and trading partners is HIPAA compliant.

Response to RFP No.JSD0124

Submitted by CompuSys/Erisa Group,Inc.

Date Due: 5/30/2012

13.	Provide a website link to demo your system's website.	<a href="http://www.coaflextra.com">www.coaflextra.com</a> Log-in ID 888888888 First 5 digits of SSN 77777
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**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Attachment 7 Flexible Benefits Claims Administration Questionnaire**

Place this document in Tab 7 of your proposal response.

	<u><b>Question</b></u>	<u><b>Response</b></u>
1.	For claims not auto adjudicated, what documentation must accompany each claim for reimbursement?	Acceptable documentation includes an itemized statement of charges from the service provider, an EOB or medical claim summary from the insurance carrier, an itemized prescription receipt, or a cash register receipt for OTC medical supplies.
2.	List all methods for submitting reimbursement requests.	Reimbursement requests may be submitted online at <a href="http://www.coaflextra.com">www.coaflextra.com</a> or manually submitted by mail, fax or email.
3.	How are incomplete claims handled? What form of communication does your company use to notify the participant?	When additional documentation is necessary to adjudicate a reimbursement claim, a letter is mailed (or emailed) to the participant detailing the information required.
4.	How do you monitor and administer annual elections for employees on an unpaid leave of absence? What is your process for tracking manual payment collections for these employees?	Missed contributions during an unpaid leave of absence are maintained in a database updated per pay period for each employee. Upon notification of manual payments, the database is updated with the amount paid for each pay period. Plan participation continues, with access to annual election, unless notified to cancel participation for non-payment.
5.	When employees return to work from an unpaid leave of absence, how do you track payroll deduction arrearages?	Upon receipt of payroll deduction arrearages, the additional payroll is included in the participant's annual accrued amount and updated in the database to reflect payment toward missed contributions.
6.	Can you provide direct deposit reimbursement for flexible benefit claims?	Yes. Reimbursements can be made directly to the participants checking or saving account.
7.	Can more provide more than two Cards per family?	Yes. One card is provided for each employee and additional cards can be issued for eligible dependents.
8.	Can the dependents name be listed on the Card?	Yes. The dependent's name is printed on the dependent card.

9.	How do you handle lost or stolen Cards in terms of access by non-authorized individuals? What is the cost to the member to replace lost Cards?	When a card is lost or stolen, the participant can inactivate the card immediately at <a href="http://www.benefitspaymentsystem.com">www.benefitspaymentsystem.com</a> . A replacement card will be issued with a new card number. An unauthorized transaction may be disputed by submitting the appropriate forms to CompuSys/Erisa. MasterCard will resolve claims with either a reimbursement or denial. No cost to the participant for a replacement card.
10.	What is the process when an ineligible expense has been purchased?	To resolve an ineligible expense, the participant can refund the plan for the ineligible amount or request the expense is offset by other eligible expenses.
11.	Does the Card only retain the current plan year amount?	Currently the debit card deducts funds from the plan year based on the transaction date. The parameters can be modified to pull funds from the previous plan year until March 15 <sup>th</sup> or the funds are exhausted.
12.	Can your system communicate to a participant's email address?	Yes. Debit card documentation requests, direct deposit notifications and balance statements can be sent via email.

**REQUEST FOR PROPOSAL NUMBER NO. JSD0124****CITY OF AUSTIN PURCHASING OFFICE****BENEFIT PLANS ADMINISTRATION****Attachment 11 Performance Measures – Flexible Benefits Claims Administration**

The definitions for certain performance measures are shown below:

1. Payment Accuracy is defined as the number of claims without financial errors divided by the total number of claims in the sample.

Financial Accuracy is defined as the amount of dollars paid correctly in the sample divided by the total dollars in the sample.

Processing Accuracy is defined as the number of claims without non-financial errors divided by the total number of claims in the sample.

All performance measures and guarantees should be City-specific, not book of business.

	Performance Measure	Acceptable Performance	Penalty	Agree Yes/No	If No, Proposed Penalty
1.	Employee Benefits staff satisfaction	At least 90%	\$5,000 each year	Yes	
2.	Average speed to answer telephone calls	30 seconds or less	1% of annual fees	Yes	
3.	Telephone abandonment rate	Less than 3%	1% of annual fees	Yes	
4.	First telephone call resolution	At least 80%	1% of annual fees	Yes	
5.	Eligibility system updated within two business days of any enrollment information received	99%	\$500 per occurrence, up to a maximum of \$6,000 each year	Yes	
6.	Claims processed within six business days of receipt	Minimum of 90%	1% of annual fees	Yes	
7.	Payment Accuracy	97% of claims will be paid accurately as determined by IRS regulations	2% of annual fees for every point below 97%	Yes	
8.	Financial Accuracy	99% of claims will be paid accurately as determined by IRS regulations	2% of annual fees for every point below 99%	Yes	

**REQUEST FOR PROPOSAL NUMBER NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**

**Attachment 11 Performance Measures – Flexible Benefits Claims Administration**

	Performance Measure	Acceptable Performance	Penalty	Agree Yes/No	If No, Proposed Penalty
9.	Processing Accuracy	97% of claims will be processed accurately as determined by IRS regulations	2% of annual fees for every point below 97%	Yes	
10.	Overall Accuracy	94%	2% of annual fees for every point below 94%	Yes	
11.	FHC Cards	Must be 100% error free	\$500 per occurrence, up to a maximum \$5,000 each year	Yes	
12.		Must be sent within 10 business days from notice of eligibility	\$500 per occurrence, up to a maximum \$5,000 each year	Yes	
13.	Annual FHC Cards	100% must be received on or before December 31 <sup>st</sup> each year	\$500 per occurrence, up to a maximum \$5,000 each year	Yes	
14.	Monthly, quarterly and year-end reports	Must be provided within 30 days of the end of each period	\$1,000 per quarter, up to a maximum \$4,000 each year	Yes	

**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Attachment 12 Exceptions to Proposal**

For any exceptions taken, clearly indicate each exception taken and provide alternative language along with the business need for the alternative language.

Place this attachment in Tab 8 of your proposal response.

<u>Requirement</u>	<u>Exception</u>
Provision of bid bond to accompany RFP	As the incumbent, CompuSys has demonstrated its credit-worthiness and requests an exemption from provision of the bid bond. If this is unacceptable, we will supply the bond check, within 24 hours of notification of denial of our request

RFP No. JSD0124

Volume 2

Submitted by: COMPUSYS/ERISA GROUP, INC.

Due Date: MAY 30, 2012

**ORIGINAL RESPONSE DOCUMENT**



## Table of Contents – Volume 2

### **Appendix W – Disaster Recovery Plan**

### **Appendix X – Communication Materials**

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  - Explanation of Benefits (EOBs)
  - HIPAA Notice
- Section 2     tCOBRA
- Notification Letters
  - Qualifying Event Letters
  - COBRA Applications – **Active Employees, Dependents, & Retirees**
  - Continuation of Coverage Applications for **Domestic Partners**
- Section 3     FLEXTRA
- Claim Forms
  - Reject Letters
  - Direct Deposit Notice
  - FSA Activity Statement
  - Debit Card documentation Letters
  - FSA Reminder Notices
  - FSA "Use It or Lose It " Letters
- Section 4     OPEN ENROLLMENT
- **Active Employees**  
Benefits Coverage Statement  
Confirmation Statement
  - **Retirees**  
Benefits Coverage Statement  
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Benefits Coverage Statement  
Confirmation Statement

### **APPENDIX Y – Standard Reports (Eligibility, FLEXTRA, COBRA)**

- Section 1 Standard Reports (Monthly)
- Section 2 Standard Reports Quarterly
- Section 3 Standard Reports (Annual)

## **APPENDIX Z – Sample Ad hoc Report Requests**

- Dental
- Eligibility/Enrollment

**CompuSys/Erisa Group, Inc. – Texas**  
**Office Location: 13706 Research Blvd. – Suite 308**  
**Austin, TX 78750**

**Disaster Recovery Plan**

First and foremost, it is our intent to protect visiting clients and our employees and to resume service with minimal disruption to our clients/participants.

**Building Safety**

Utility Shut-off  
Internal Shelter

In the event of severe weather, inclusive of tornadoes, all employees and visitors will be directed to a series of 1<sup>st</sup> Floor Executive conference rooms, which are in the center of the building and are windowless.

Evacuation Route

In the case of fire or any other emergency requiring building evacuation, an evacuation route has been determined for each area and is posted in the break room of suite 308. Since elevators cannot be used, CompuSys staff will direct both visitors and employees to follow this route to exit the building. Building exit drills are held twice per year.

**Disruption of Business**

Temporary Location

In the event of the total loss of our building, all technical support staff has full system capability from any site, inclusive of their homes. Our emergency team consisting of the Director Sandy Thomas, Claims manager Jessica Parchesky, and technical support and key personnel will work from their homes until a temporary site can be rented. They will remain in the rental location until a permanent location can be obtained. Key client personnel will be notified of the full disaster protocol. The information given would identify and give e-mail and phone numbers for CompuSys personnel who would be able to answer questions related to all aspects of customer service. It should be noted that because all systems are windows-based, they are accessible from any site supporting personal computers (PCs). A notice will be posted on our corporate and client websites indicating key phone numbers to call for assistance.

If necessary, the emergency technical team will drive to the nearest functioning airport to reach our Salt Lake City location. This protocol would be initiated should an emergency occur affecting the entire Austin, Texas area.

Telephone Service

Telephone service will be interrupted until the local telephone company and telephone system vendor can re-route calls to a designated location. We will still have accessibility via e-mail, our website, and cell phone numbers during this period. A list of key staff cell phone numbers will be supplied to our clients.

#### Server access

All employees working from home will have access to the system server and all related work functions through remote desk top servers. The ability to work from both a temporary location and from remote servers allows for all daily, weekly, and monthly production functions (i.e. claims processing, check and EOB generation, ID cards and reports) to be resumed. This set-up and accessibility is the responsibility of computer operator, Hector Flores and programmer, Jose Sandoval.

#### Office Equipment Vendors

We maintain a complete list of equipment vendors. Hard copies of this list are kept by each member of the emergency team and in the case of a complete loss of building, each vendor will be contacted to re-supply and install the necessary equipment to support our clients.

#### Records

##### Data Back-up

Full system back-up for eligibility/enrollment, and claims processing is performed on a daily and end of week basis. Both the daily and weekly back-up files are stored off-site.

##### Redundant data storage

In addition to the back-up tapes, our client files are copied daily to a SQL server currently located in our Salt Lake City office. Our technical support system has access to client files maintained in Salt Lake City. Information from these SQL servers can be used to obtain eligibility/enrollment, and claims information. In the case of debit cards, information retrieval is available from the debit card vendor. This data storage methodology allows us to be fully operational within 24 hours.

#### Business Documents

Scanned client documents, inclusive of claims, eligibility/enrollment information, and reports are scanned daily. The scanned documents are stored off-site.

##### Paper Stock

Checks – A 2-month supply of check stock is kept at a secure off-site location.

Letterhead & Reporting Forms – A 2-month supply of paper products is kept at a secure off-site location.

## **ID Card stock**

The 2-month supply of checks, letterhead, ID card stock, and reporting forms will give us adequate time to reorder stock.

## **Business Documents**

### **Payroll Records**

CompuSys/Erisa out-sources payroll, thus these records would not be affected by loss of building.

### **Insurance Documents**

Insurance documents regarding our property and business are kept off-site at the home of our company's president. These documents are inclusive of our policy information for Business Interruption Insurance. There are duplicates of this information in our Salt Lake City office.

### **Employee Personnel Data**

Emergency contact information – CompuSys/Erisa maintains a complete list of client names and contact information. In the case of total building loss or temporary disruption in service, we are able to immediately contact our clients to alert them to the situation.

### **Client Contract Information**

Copies of all contracts between CompuSys and their clients are maintained both in our office and at the home of our company president.

## **Partial Disruption of Service**

In the event of partial disaster in which the server was incapacitated or telephone service was interrupted the following would occur:

- Clients would be contacted via e-mail and/or by cell phone
- Our back-up database server would be activated
- Normal business would resume within 30 to 60 minutes
- Primary systems would be fully restored within 24 hours.

## **\*Key Personnel for City of Austin Account** **Emergency Contact Information**

Title	*Cell Phone #s	*Temporary Location Phone #	e-mail addresses
Vice President	(512) 799-1507	TBD	stthomas@cserisa.com
Claims Mgr.	(512)539-6744	TBD	jprchsky@cserisa.com
CSR Supervisor	(512)799-5462	TBD	kthomas@cserisa.com
Claims Supv.	(512) 698-6893	TBD	kross@cserisa.com

**\*Please note that these numbers are confidential and are to be used in cases of emergency only.**

### **Disaster Recovery Plan Results**

Our corporate team conducts Disaster Recovery Drills twice per year. The effectiveness of our protocol and operational readiness allowed our Georgia operation to be up and running in a temporary location within 24 hours following devastating tornadoes in April 2011.



City of Austin Dental Assistance Plan  
Administered by:  
CompuSys/Erisa Group, Inc.  
13706 Research Blvd. Ste. 308  
Austin, TX 78750

April 30, 2012

If you have questions, call toll free (800)933-7472  
Or (512)250-9397  
Or Fax (512)335-7298



MARY SMITH  
1234 MAIN STREET  
ANYWHERE, US 12345

Member ID TP0D0P1HN  
Insured Name MARY SMITH

Explanation of Benefits (EOB) to Plan Participant (Benefits Assigned)

### Claim Payment Details

Claim ID	Insured Name			Member ID	Billing Provider Name				Provider TIN		
201204250121	MARY SMITH			TP0D0P1HN	CASTLE DENTAL ASSOCIATES OF TEXAS				760486897		
Plan	Patient Name			Relation	Service Provider Name				Patient Account #		
STANDARD	JOHN SMITH			Spouse	DEEPA ALAHARI				NONE		
Date of Service	Category		Billed Charges	Not Covered	Over Schedule	Discount	Deductible	Coinsurance	Adjustment	Benefit Level %	Payable Amount
04/13/12	DENTAL-PREVENTIVE		\$81.00	\$0.00	* \$13.66	\$0.00	\$0.00	\$0.00	\$0.00	100%	\$67.34
04/13/12	DENTAL-PREVENTIVE		\$111.00	\$0.00	* \$10.11	\$0.00	\$0.00	\$0.00	\$0.00	100%	\$100.89
04/13/12	DENTAL-BASIC		\$880.00	\$0.00	* \$383.70	\$0.00	\$50.00	\$0.00	\$0.00	100%	\$446.30
04/13/12	DENTAL-PROSTHESIS		\$1,237.00	\$0.00	* \$756.39	\$0.00	\$0.00	\$0.00	\$0.00	100%	\$480.61
04/13/12	DENTAL-MAJOR		\$279.00	\$0.00	* \$172.63	\$0.00	\$0.00	\$0.00	\$0.00	100%	\$106.37
Total			\$2,588.00	\$0.00	\$1,336.49	\$0.00	\$50.00	\$0.00	\$0.00		\$1,201.51
* Maximum schedule allowance under your plan										Amount Paid	\$1,201.51

Comments Line 3 : Your individual dental deductible for the year is met.

### Benefit Limits

Limit	From Date	Thru Date	Limit Amounts	Amount Applied	Year to Date
Dental Annual Maximum(Individual)	01/01/12	12/31/12	\$1,800.00	\$1,201.51	\$1,201.51
Individual Dental Deductible(Individual)	01/01/12	12/31/12	\$50.00	\$50.00	\$50.00

### Patient Responsibility

Type	Amount
Deductible	\$50.00
Co-Insurance	\$0.00
Over Schedule	\$1,336.49
Total Patient Responsibility	\$1,386.49

# Dental HIPAA Notice

## HIPAA Notice of Privacy Practices for Personal Health Information

THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION.

Dear Dental Participant:

This is your Health Information Privacy Notice from CompuSys/Erisa Group, Inc. **Please read it carefully.** You have received this notice because of your Dental Plan coverage with the City of Austin. CompuSys/Erisa Group and our Business Associates strongly believe in protecting the confidentiality and security of information we collect about you. This notice refers to CompuSys/Erisa Group, Inc. by using the terms "us," "we," or "our."

This notice describes how we protect the personal health information we have about you which relates to your City of Austin Dental Assistance Plan coverage ("Personal Health Information"), and how we may use and disclose this information. Personal Health Information includes individually identifiable information which relates to your past, present or future health, treatment or payment for health care services. This notice also describes your rights with respect to the Personal Health Information and how you can exercise those rights.

This Notice is provided in accordance with the Health Insurance Portability and Accountability Act ("HIPAA"). We are required by law to:

- maintain the privacy of your Personal Health Information;
- provide you this notice of our legal duties and privacy practices with respect to your Personal Health Information; and
- follow the terms of this notice.

We **protect** your Personal Health Information from inappropriate use or disclosure. Our employees, and those of companies that help us service your City of Austin Dental Assistance Plan, are required to comply with our requirements that protect the confidentiality of Personal Health Information. They may look at your Personal Health Information only when there is an appropriate reason to do so, such as claim administration.

We will **not disclose** your Personal Health Information to any other company for their use in marketing their products to you. However, as described below, we will use and disclose Personal Health Information about you for business purposes relating to your Dental Plan coverage.

The main reasons for which we may **use** and may **disclose** your Personal Health Information are to evaluate and process any requests for coverage and claims for benefits you may make or in connection with other health-related benefits or services that may be of interest to you. The following describe these and other uses and disclosures, together with some examples.

- **For Payment:** We may use and disclose Personal Health Information to pay for benefits under your Dental Plan coverage. For example, we may review Personal Health Information contained on claims to reimburse providers for services rendered. We may also disclose Personal Health Information to other insurance carriers to coordinate benefits with respect to a particular claim. Additionally, we may disclose Personal Health Information to a health plan or an administrator of an employee benefit plan for various payment-related functions, such as eligibility determination, audit and review or to assist you with your inquiries or disputes.
- **For Health Care Operations:** We may also use and disclose Personal Health Information for our administrative operations. These purposes include evaluating a request for Dental Plan coverage, administration services, and processing transactions requested by you. We may also disclose Personal Health Information to business associates outside of the CompuSys/Erisa Group, Inc., if they need to receive Personal Health Information to provide a service to us and will agree to abide by specific HIPAA rules relating to the protection of Personal Health Information. Examples of business associates are: billing companies, data processing companies, or companies that provide general administrative services. Personal Health Information may be disclosed for auditing or claim review reasons. Personal Health Information may also be disclosed as part of a potential merger or acquisition involving our business in order to make an informed business decision regarding any such prospective transaction.
- **Where Required by Law or for Public Health Activities:** We disclose Personal Health Information when required by federal, state or local law. Examples of such mandatory disclosures include notifying state or local health authorities regarding particular communicable diseases, or providing Personal Health Information to a governmental agency or regulator with health care oversight responsibilities. We may also release Personal Health Information to a coroner or medical examiner to assist in identifying a deceased individual or to determine the cause of death.
- **To Avert a Serious Threat to Health or Safety:** We may disclose Personal Health Information to avert a serious threat to someone's health or safety. We may also disclose Personal Health Information to federal, state or local agencies engaged in disaster relief as well as to private disaster relief or disaster assistance agencies to allow such entities to carry out their responsibilities in specific disaster situations.
- **For Health-Related Benefits or Services:** We may use Personal Health Information to provide you with information about benefits available to you

under your current coverage or policy and, in limited situations, about health-related products or services that may be of interest to you.

- **For Law Enforcement or Specific Government Functions:** We may disclose Personal Health Information in response to a request by a law enforcement official made through a court order, subpoena, warrant, summons or similar process. We may disclose Personal Health Information about you to federal officials for intelligence, counterintelligence, and other national security activities authorized by law.
- **When Requested as Part of a Regulatory or Legal Proceeding:** If you or your estate is involved in a lawsuit or a dispute, we may disclose Personal Health Information about you in response to a court or administrative order. We may also disclose Personal Health Information about you in response to a subpoena, discovery request, or other lawful process by someone else involved in the dispute, but only if efforts have been made to tell you about the request or to obtain an order protecting the Personal Health Information requested. We may disclose Personal Health Information to any governmental agency or regulator with whom you have filed a complaint or as part of a regulatory agency examination.
- **Other Uses of Personal Health Information:** Other uses and disclosures of Personal Health Information not covered by this notice and permitted by the laws that apply to us will be made only with your written authorization or that of your legal representative. If we are authorized to use or disclose Personal Health Information about you, you or your legally authorized representative may revoke that authorization, in writing, at any time, except to the extent that we have taken action relying on the authorization. You should understand that we will not be able to take back any disclosures we have already made with authorization.

### **Your Rights Regarding Personal Health Information We Maintain About You**

The following are your various rights as a consumer under HIPAA concerning your Personal Health Information.

- **Right to Inspect and Copy Your Personal Health Information:** In most cases, you have the right to inspect and obtain a copy of the Personal Health Information that we maintain about you. To inspect and copy Personal Health Information, you must submit your request in writing to *CompuSys/Erisa Group, Inc 13706 Research Blvd. Ste. 308 Austin, TX 78750*. To receive a copy of your Personal Health Information, you may be charged a fee for the costs of copying, mailing or other supplies associated with your request. However, certain types of Personal Health Information will not be made available for inspection and copying. This includes Personal Health Information collected by us in connection with, or in reasonable anticipation of any claim or legal proceeding. In very limited circumstances we may deny your request to inspect and obtain a copy of your Personal Health Information. If we do, you may request that the denial



be reviewed. The review will be conducted by an individual chosen by us who was not involved in the original decision to deny your request. We will comply with the outcome of that review.

- **Right to Amend Your Personal Health Information:** If you believe that your Personal Health Information is incorrect or that an important part of it is missing, you have the right to ask us to amend your Personal Health Information while it is kept by or for us. You must provide your request and your reason for the request in writing, and submit it to *CompuSys/Erisa Group, Inc 13706 Research Blvd. Ste. 308 Austin, TX 78750*. We may deny your request if it is not in writing or does not include a reason that supports the request. In addition, we may deny your request if you ask us to amend Personal Health Information that:

- is accurate and complete;
  - was not created by us, unless the person or entity that created the Personal Health Information is no longer available to make the amendment;
  - is not part of the Personal Health Information kept by or for us; or
  - is not part of the Personal Health Information which you would be permitted to inspect and copy.
- **Right to a List of Disclosures:** You have the right to request a list of the disclosures we have made of Personal Health Information about you. This list will not include disclosures made for treatment, payment, health care operations, for purposes of national security, made to law enforcement or to corrections personnel, made pursuant to your authorization or made directly to you. To request this list, you must submit your request in writing to *CompuSys/Erisa Group, Inc 13706 Research Blvd. Ste. 308 Austin, TX 78750*. Your request must state the time period from which you want to receive a list of disclosures. The time period may not be longer than six years and may not include dates before April 14, 2003. Your request should indicate in what form you want the list (for example, on paper or electronically). The first list you request within a 12-month period will be free. We may charge you for responding to any additional requests. We will notify you of the cost involved and you may choose to withdraw or modify your request at that time before any costs are incurred.
  - **Right to Request Restrictions:** You have the right to request a restriction or limitation on Personal Health Information we use or disclose about you for treatment, payment or health care operations, or that we disclose to someone who may be involved in your care or payment for your care, like a family member or friend. While we will consider your request, **we are not required to agree to it**. If we do agree to it, we will comply with your request. To request a restriction, you must make your request in writing to *CompuSys/Erisa Group, Inc 13706 Research Blvd. Ste. 308 Austin, TX 78750*. In your request, you must tell us (1) what information you want to limit; (2) whether you want to limit our use, disclosure or both; and (3) to

whom you want the limits to apply (for example, disclosures to your spouse or parent). We will not agree to restrictions on Personal Health Information uses or disclosures that are legally required, or which are necessary to administer our business.

- **Right to Request Confidential Communications:** You have the right to request that we communicate with you about Personal Health Information in a certain way or at a certain location if you tell us that communication in another manner may endanger you. For example, you can ask that we only contact you at work or by mail. To request confidential communications, you must make your request in writing to *CompuSys/Erisa Group, Inc 13706 Research Blvd. Ste. 308 Austin, TX 78750* and specify how or where you wish to be contacted. We will accommodate all reasonable requests.
- **Right to File a Complaint:** If you believe your privacy rights have been violated, you may file a complaint with us or with the Secretary of the Department of Health and Human Services *200 Independence Ave. SW Washington, DC 20201*. To file a complaint with us, please contact *CompuSys/Erisa Group, Inc 13706 Research Blvd. Ste. 308 Austin, TX 78750*. All complaints must be submitted in writing. You will not be penalized for filing a complaint.



CompuSys/Erisa Group, Inc.  
13706 Research Blvd. Suite 308  
Austin, TX 78750  
512 250-9397  
800 933-7472

MAY/25/2012

MARY SMITH  
12345 MAIN ST  
ANYWHERE, US 12345

SUBJECT: NOTIFICATION

MARY SMITH - Dept No 58

Dear MARY SMITH

THIS NOTICE IS TO INFORM YOU THAT YOU AND YOUR FAMILY MEMBERS MAY BE ENTITLED TO COBRA RIGHTS.

You are receiving this notice because you have recently become covered under one of the City of Austin's medical, dental, vision, and/or FLEXTRA Health Care plans. This notice contains important information about your right to COBRA continuation coverage, which is a temporary extension of coverage under one of the City's benefit plans. The right to COBRA continuation coverage was created by a federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). The City of Austin is required to offer employees and their dependents the opportunity to continue medical, dental, vision, and/or FLEXTRA Health Care Account coverage, if coverage ends due to one of the events listed below, called "qualifying events":

- Employee's hours of employment are reduced, or
- Employee's employment ends or retires for any reason other than gross misconduct.

The spouse of an employee, will become a qualified beneficiary if coverage terminates due to:

- Death of spouse
- Spouse's hours of employment are reduced;
- Spouse's employment ends or they retire for any reason other than his or her gross misconduct;
- Spouse becomes entitled to Medicare benefits (under Part A, Part B, or both); or
- You become divorced or legally separated from your spouse.

Dependent children will become qualified beneficiaries if coverage ends due to:

- Death of employee
- Employee's hours of employment are reduced; or
- Employee's employment ends or they retire for any reason other than his/her gross misconduct;
- Employee becomes entitled to Medicare benefits (Part A, Part B, or both);
- Parents become divorced or legally separated; or
- The dependent is no longer eligible for coverage under the plan as a "dependent child."

If you obtain a divorce or legal separation or a dependent child ceases to qualify for coverage under the terms of the plan, you must notify the Employee Benefits Division (EBD) within 31 days of the qualifying event at the address below. Failure to notify EBD of a divorce or legal separation or a dependent child's ineligibility for coverage will result in a loss of continued coverage. You must provide EBD proof of the event, such as a divorce decree, etc.

Employee Benefits Division  
Human Resources Department  
505 Barton Springs Road, Suite 600  
Austin, Texas 78704

EBD is notified of your termination, reduction of hours, or death by your department completing a Personnel Action Form. EBD is responsible for notifying CompuSys/Erisa, the City's COBRA administrator, of an employee's termination of employment, work status change, retirement, death, or of a dependent who is no longer eligible. You or your eligible dependents will have 60 days from the later of (1) the date you are notified by CompuSys/Erisa or (2) the date your coverage ends to elect continuation coverage, by completing the election form and returning it to CompuSys/Erisa. If you or your dependents do not choose continuation coverage within 60 days, you will lose your right to purchase continuation coverage. Covered employees may elect COBRA continuation coverage on behalf of their spouses, and parents may elect COBRA continuation coverage on behalf of their children.

#### **Length of COBRA Coverage**

If coverage ends due to a termination of employment, change in work status, or retirement, you and your eligible dependents who lose coverage may choose to purchase COBRA coverage for up to 18 months from the date of the qualifying event (except for termination due to gross misconduct).

Dependents who lose coverage due to death of the covered employee, the divorce or legal separation of the covered employee from the spouse, the employee becoming eligible for Medicare, or the cessation of a dependent child's coverage because the child no longer meets the definition of eligible dependent are eligible for up to 36 months from the date of the qualifying event.

COBRA coverage under the FLEXTRA Health Care Account may only continue through the end of the calendar year in which you originally elected coverage, regardless of the event.

#### **Second Qualifying Event extension of 18-month period of continuation coverage**

If your family experiences another qualifying event while receiving COBRA continuation coverage your spouse and your dependent children can get additional months of COBRA continuation coverage, up to a maximum of 36 months. This extension is available to the spouse and dependent children if the former employee dies, enrolls in Medicare (Part A, Part B, or both), or gets divorced or legally separated. This extension is also available to a dependent child when that child stops being eligible under the Plan as a dependent child. In all of these cases, you must make sure that CompuSys/Erisa is notified and supplied documentation of the second qualifying event within 60 days of the second qualifying event. This notice must be sent to:

CompuSys/Erisa Group Inc.  
Third Party Administrator for the City of Austin  
13706 Research Blvd, Suite 308  
Austin, TX 78750  
(512) 250-9397  
(800) 933-7472

#### **Disability extension of 18-month period of continuation coverage**

If you, or anyone in your family covered under the plan is determined by the Social Security Administration to be disabled any time during the first 60 days of COBRA continuation coverage and you notify CompuSys/Erisa in a timely fashion, you and your entire family can receive up to an additional 11 months of COBRA continuation coverage, for a total of 29 months. This extension only applies if CompuSys/Erisa or the City is notified within 60 days after the date of the determination. In order for the disabled person and any other covered family members to be eligible for the additional 11 months, the disabled person must meet the requirements of this paragraph before the first 18 months of COBRA coverage have expired.

#### **COBRA Coverage Premiums**

Anyone who elects to continue coverage under one of the health plans, dental, vision, or FLEXTRA Health Care Account, will be charged 102% of the group rate during the initial period of continued coverage. The due date for payment of the initial premium is no later than 45 days after the date that you elect COBRA coverage. After the initial payment, all premium payments are due the first day of each month of coverage with a 30 day grace period. Individuals continuing for an additional 11 months of coverage if determined by Social Security Administration to be disabled will be charged 150% of the group rate during their 11 months of continued coverage.

CompuSys/Erisa Group, Inc.  
13706 Research Blvd. Suite 308  
Austin, TX 78750  
512 250-9397  
800 933-7472

#### Early Termination of COBRA Coverage

COBRA coverage may terminate before the time periods described above if:

- The required premium payment is not paid when due.
- You or your spouse or dependent child(ren), (if any) become covered under another group health plan that does not contain any exclusion or limitation, which applies to you. (See Pre-existing Conditions Limitations information below.)
- You, your spouse or dependent child(ren), (if any), become entitled to Medicare benefits.
- All of the City of Austin's group health plans are terminated.
- If coverage is extended to 29 months due to disability, a determination that the individual is no longer disabled. NOTE: Federal law requires that you inform CompuSys/Erisa of any final determination that the individual is no longer disabled within 30 days of such a determination.

#### Pre-existing Condition Limitations

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) restricts the extent to which group health plans may impose pre-existing condition limitations. These rules are generally effective for plan years beginning after June 30, 1997. HIPAA coordinates COBRA's other coverage cut-off rule with these new limits as follows:

If you become covered by another group health plan and that plan contains a pre-existing condition limitation that affects you, your COBRA coverage cannot be terminated. However, if the other plan's pre-existing condition rule does not apply to you by reason of HIPAA's restrictions on pre-existing condition clauses, CompuSys/Erisa may terminate your COBRA coverage.

#### Newborns and Adoptees

A child who is born to or placed for adoption with the covered qualified beneficiary during a period of COBRA coverage will be eligible to become a qualified beneficiary. In accordance with the terms of your medical, dental, vision, and/or FLEXTRA Health Care Account coverage and the requirements of federal law, these qualified beneficiaries can be added to COBRA coverage upon proper notification to CompuSys/Erisa of the birth or adoption. Coverage will continue to newborns born to a COBRA qualified beneficiary for 31 days, if within 31 days from the child's birth date, the qualified beneficiary submits an enrollment form for the child, coverage can continue for the same length of time as the qualified beneficiary.

You do not have to show that you are insurable to choose continuation coverage. However, continuation coverage under COBRA is provided subject to your eligibility. The City reserves the right to terminate your COBRA coverage retroactively if you are determined to be ineligible for coverage. In addition, you may terminate coverage at any time during your coverage period.

#### Texas Health Insurance Risk Pool

You and/or your eligible dependents may be eligible for coverage under the Texas Health Insurance Risk Pool (THIRP). For more information regarding your availability of coverage under THIRP contact: [texasriskpool@bcbstx.com](mailto:texasriskpool@bcbstx.com) or call (888) 398-3927. THIRP's website is [www.txhealthpool.org](http://www.txhealthpool.org).

To be sure that you, your spouse, and your dependent child(ren), (if any), receive the necessary information concerning your rights, you should keep Compusys/Erisa informed of any address changes.

This notice is a summary of you and your family's COBRA rights. If you have any questions, you should contact Compusys/Erisa Group Inc. at (512) 250-9397 or (800) 933-7472.

For more information about your COBRA rights, Health Insurance Portability and Accountability Act (HIPAA), and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) in your area or visit the EBSA website at [www.dol.gov/ebsa](http://www.dol.gov/ebsa). Addresses and phone numbers of Regional and District EBSA offices are available through EBSA's website.

Respectfully,

A handwritten signature in black ink that reads "Jessica Parchesky". The signature is written in a cursive, flowing style.

Jessica Parchesky  
COBRA Coordinator  
Compusys/Erisa Group Inc.  
(512) 250-9397  
(800) 933-7472



CompuSys/Erisa Group, Inc.  
13706 Research Blvd. Ste. 308  
Austin, TX 78750

### City of Austin COBRA Continuation Coverage Election Notice

May 25, 2012

Mary Smith  
1234 Main St  
Anywhere, US 12345

Dear Mary Smith:

**This notice contains important information about your right to continue your health care coverage in the City of Austin (the Plan).** Please read the information contained in this notice very carefully.

To elect COBRA continuation coverage, follow the instructions on the next pages to complete the enclosed COBRA Election Form and submit it to us.

If you do not elect COBRA continuation coverage, your coverage under the Plan will end on **6/2/2012** due to:

- ☒ End of employment:
- ☐ Divorce or legal separation.
- ☐ Death of employee.
- ☐ Entitlement to Medicare.
- ☐ Reduction in hours of employment.
- ☐ Loss of dependent child status.

Each person ("qualified beneficiary") in the category(ies) checked below is entitled to elect COBRA continuation coverage, which will continue group health care coverage under the Plan for up to **18** months :

- ☒ Employee or former employee.
- ☒ Spouse or former spouse.
- ☒ Dependent child (ren) covered under the Plan on the day before the event that caused the loss of coverage.
- ☐ Child who is losing coverage under the Plan because he or she is no longer a dependent under the plan.

If elected, COBRA continuation coverage will begin on **6/3/2012** and can last until **11/30/2013**. You may elect any of the following coverage options for which you were previously enrolled:

**United Healthcare PPO Insured & Family**  
**Davis Vision Insured & Family**  
**Standard Dental Plan Insured & Family**  
**Flex Health Care**

**Note:** You may enroll for the United Healthcare PPO plan if you were previously enrolled with the HMO plan.



The cost of COBRA continuation coverage is provided on the enclosed Election form. You do not have to send any payment with the COBRA Election form; however, benefits **will not** be reinstated until payment has been received. Important additional information about payment for COBRA continuation coverage is included in the pages following the COBRA Election form. To determine the amount due for your initial payment please call CompuSys/Erisa Group, Inc. and ask to speak with a COBRA representative.

**To elect COBRA continuation coverage, complete this Election Form and return it to us. Under federal law, you must have 60 days after the date of this notice to decide whether you want to elect COBRA continuation coverage under the Plan. The Election Form must be completed and returned by mail or fax.**

If you have any questions about this notice or your rights to COBRA continuation coverage, you should contact:

CompuSys/Erisa Group Inc.  
13706 Research Blvd. Ste. 308  
Austin, TX 78750  
(512)250-9397 or (800)933-7472  
Fax: (512)493-1329

## **Important Information About Your COBRA Continuation Coverage Rights**

### **What is continuation coverage?**

Federal law requires that most group health plans (including this Plan) give employees and their families the opportunity to continue their health care coverage when there is a "qualifying event" that would result in a loss of coverage under an employer's plan. Depending on the type of qualifying event, "qualified beneficiaries" can include the employee (or retired employee) covered under the group health plan, the covered employee's spouse, and the dependent children of the covered employee.

Continuation coverage is the same coverage that the Plan gives to other participants or beneficiaries under the Plan who are not receiving continuation coverage. Each qualified beneficiary who elects continuation coverage will have the same rights under the Plan as other participants or beneficiaries covered under the Plan, including open enrollment and special enrollment rights.

### **How long will continuation coverage last?**

In the case of a loss of coverage due to end of employment or reduction in hours of employment, coverage generally may be continued only for up to a total of 18 months. In the case of losses of coverage due to an employee's death, divorce or legal separation, the employee's becoming entitled to Medicare benefits or a dependent child ceasing to be a dependent under the terms of the plan, coverage may be continued for up to a total of 36 months. When the qualifying event is the end of employment or reduction of the employee's hours of employment, and the employee became entitled to Medicare benefits less than 18 months before the qualifying event, COBRA continuation coverage for qualified beneficiaries other than the employee lasts until 36 months after the date of Medicare entitlement. This notice shows the maximum period of continuation coverage available to the qualified beneficiaries.

Continuation coverage will be terminated before the end of the maximum period if:

- any required premium is not paid in full on time.



- a qualified beneficiary first becomes covered, after electing continuation coverage, under another group health plan that does not impose any preexisting condition exclusion for a preexisting condition of the qualified beneficiary,
- a qualified beneficiary first becomes entitled to Medicare benefits (under Part A, Part B, or both) after electing continuation coverage, or
- the employer ceases to provide any group health plan for its employees.

Continuation coverage may also be terminated for any reason the Plan would terminate coverage of a participant or beneficiary not receiving continuation coverage (such as fraud).

### **How can you extend the length of COBRA continuation coverage?**

If you elect continuation coverage, an extension of the maximum period of coverage may be available if a qualified beneficiary is disabled or a second qualifying event occurs. You must notify Compusys/Erisa Group, Inc. of a disability or a second qualifying event in order to extend the period of continuation coverage. Failure to provide notice of a disability or second qualifying event may affect the right to extend the period of continuation coverage.

#### *Disability*

An 11-month extension of coverage may be available if any of the qualified beneficiaries is determined under the Social Security Administration (SSA) to be disabled. The disability has to have started at some time on or before the 60th day of COBRA continuation coverage and must last at least until the end of the 18-month period of continuation coverage. You must notify Compusys/Erisa Group, Inc. before the end of your 18<sup>th</sup> month of coverage ends. Each qualified beneficiary who has elected continuation coverage will be entitled to the 11-month disability extension if one of them qualifies. If the qualified beneficiary is determined to no longer be disabled under the SSA, you must notify the Plan of that fact within 30 days after that determination.

#### *Second Qualifying Event*

An 18-month extension of coverage will be available to spouses and dependent children who elect continuation coverage if a second qualifying event occurs during the first 18 months of continuation coverage. The maximum amount of continuation coverage available when a second qualifying event occurs is 36 months. Such second qualifying events may include the death of a covered employee, divorce or legal separation from the covered employee, the covered employee's becoming entitled to Medicare benefits (under Part A, Part B, or both), or a dependent child's ceasing to be eligible for coverage as a dependent under the Plan. These events can be a second qualifying event only if they would have caused the qualified beneficiary to lose coverage under the Plan if the first qualifying event had not occurred. You must notify Compusys/Erisa Group, Inc. within 60 days after a second qualifying event occurs if you want to extend your continuation coverage.

### **How can you elect COBRA continuation coverage?**

To elect continuation coverage, you must complete the COBRA Enrollment Form and furnish it according to the form. Each qualified beneficiary has a separate right to elect continuation coverage. For example, a spouse may elect continuation coverage even if the employee does not. Continuation coverage may be elected for only one, several, or for all dependent children who are qualified beneficiaries. A parent may elect to continue coverage on behalf of any dependent children. The employee or the employee's spouse can elect continuation coverage on behalf of all of the qualified beneficiaries.

In considering whether to elect continuation coverage, you should take into account that a failure to continue your group health coverage will affect your future rights under federal law. First, you can lose the right to avoid having preexisting condition exclusions applied to you by other group health plans if you have a 63-day gap in

health coverage, and election of continuation coverage may help prevent such a gap. Second, you will lose the guaranteed right to purchase individual health coverage that does not impose a preexisting condition exclusion if you do not elect continuation coverage for the maximum time available to you. Finally, you should take into account that you have special enrollment rights under federal law. You have the right to request special enrollment in another group health plan for which you are otherwise eligible (such as a plan sponsored by your spouse's employer) within 30 days after your group health coverage ends because of the qualifying event listed above. You will also have the same special enrollment right at the end of continuation coverage if you get continuation coverage for the maximum time available to you.

### **How much does COBRA continuation coverage cost?**

Generally, each qualified beneficiary may be required to pay the entire cost of continuation coverage. The amount a qualified beneficiary may be required to pay may not exceed 102 percent (or, in the case of an extension of continuation coverage due to a disability, 150 percent) of the cost to the group health plan (including both employer and employee contributions) for coverage of a similarly situated plan participant or beneficiary who is not receiving continuation coverage. The required payment for each continuation coverage period for each option is described in this notice.

### **When and how must payment for COBRA continuation coverage be made?**

#### *First payment for continuation coverage*

If you elect continuation coverage, you do not have to send any payment with the COBRA Enrollment form. However, you must make your first payment for continuation coverage not later than 45 days after the date of your election. (This is the date the Election Notice is post-marked) If you do not make your first payment for continuation coverage in full not later than 45 days after the date of your election, you will lose all continuation coverage rights under the Plan. You are responsible for making sure that the amount of your first payment is correct. You may contact CompuSys/Erisa Group, Inc. to confirm the correct amount of your first payment.

#### *Periodic payments for continuation coverage*

After you make your first payment for continuation coverage, you will be required to make periodic payments for each subsequent coverage period. The amount due for each coverage period for each qualified beneficiary is shown on the enclosed Election Form. The periodic payments can be made on a monthly basis. Under the Plan, each of these periodic payments for continuation coverage is due on the first of each month for that coverage period. The Plan will send a payment booklet of payments due for these coverage periods.

#### *Grace periods for periodic payments*

Although periodic payments are due on the first of the month, you will be given a grace period of 30 days after the first day of the coverage period to make each periodic payment. Your continuation coverage will be provided for each coverage period as long as payment for that coverage period is made before the end of the grace period for that payment.

If you fail to make a periodic payment before the end of the grace period for that coverage period, you will lose all rights to continuation coverage under the Plan.

Your first payment and all periodic payments for continuation coverage should be sent to:

CompuSys/Erisa Group, Inc.  
13706 Research Blvd. Ste. 308  
Austin, TX 78750

**For more information**

This notice does not fully describe continuation coverage or other rights under the Plan. More information about continuation coverage and your rights under the Plan is available in your summary plan description or from the Plan Administrator.

If you have any questions concerning the information in this notice, your rights to coverage, or if you want a copy of your summary plan description, you should contact:

CompuSys/Erisa Group, Inc.  
13706 Research Blvd. Ste. 308  
Austin, TX 78750.

State and local government employees should contact HHS-CMS at  
[www.cms.hhs.gov/COBRAContinuationofCov/](http://www.cms.hhs.gov/COBRAContinuationofCov/) or [NewCobraRights@cms.hhs.gov](mailto:NewCobraRights@cms.hhs.gov).

**Keep Your Plan Informed of Address Changes**

In order to protect your and your family's rights, you should keep the Plan Administrator informed of any changes in your address and the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Plan Administrator.

Respectfully,

*Jessica Parchesky*

Jessica Parchesky  
COBRA Coordinator  
Compusys/Erisa Group, Inc.  
(512)250-9397  
(800)933-7472



# City of Austin Employee COBRA 2012 Enrollment Form



Administered by:  
CompuSys/Erisa Group, Inc.  
13706 Research BLVD  
STE 308  
Austin, TX 78750  
(512) 250-9397 (800) 933-7472

## ADMINISTRATOR USE

COBRA EFFECTIVE DATE

COBRA ELIGIBILITY END DATE

- ☐ New Enrollment ☐ Add Dependents ☐ Name/Address Change  
☐ Open Enrollment ☐ Drop Dependents  
☐ Change Coverage ☐ Cancel Coverage

A. COBRA & EMPLOYEE DATA

SOC SEC NO	LAST NAME	FIRST NAME	MI
ADDRESS		CITY	STATE ZIP
COUNTY	HOME PHONE	<input type="radio"/> MALE <input type="radio"/> FEMALE <input type="radio"/> SINGLE <input type="radio"/> MARRIED <input type="radio"/> DOMESTIC PARTNERSHIP	
STATUS	<input type="radio"/> FORMER EMPLOYEE <input type="radio"/> SPOUSE /DP <input type="radio"/> FORMER SPOUSE /DP <input type="radio"/> CHILD(REN) DATE OF COBRA QUALIFYING EVENT _____		
COBRA QUALIFYING EVENT	<input type="radio"/> TERMINATION OF EMPLOYMENT/RETIREMENT (18 months) <input type="radio"/> PROBATIONARY/REGULAR TO TEMPORARY STATUS (18 months) <input type="radio"/> CHILD NO LONGER ELIGIBLE (36 months) <input type="radio"/> DIVORCE OR LEGAL SEPARATION (36 months) <input type="radio"/> DEATH OF EMPLOYEE (36 months)		

## CITY OF AUSTIN EMPLOYEE/FORMER EMPLOYEE DATA

SOC SEC NO	LAST NAME	FIRST NAME	MI
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B. COVERAGE INFORMATION

<b>1. MEDICAL PLAN United Healthcare</b> <input type="radio"/> HMO <input type="radio"/> PPO <input type="radio"/> Insured Only <input type="radio"/> Insured & Spouse/Domestic Partner <input type="radio"/> Insured & Children <input type="radio"/> Insured & Family <input type="radio"/> Spouse/DP Only <input type="radio"/> Spouse/DP & Children <input type="radio"/> Child(ren) Only <input type="radio"/> I do not want group medical coverage.	<b>3. FLEXTRA HEALTH CARE ACCOUNT</b> <input type="radio"/> I do elect to continue my FLEXTRA Health Care Account. <input type="radio"/> I do not elect to continue my FLEXTRA Health Care Account. <input type="radio"/> I do not have a FLEXTRA Health Care Account.
<b>2. DENTAL ASSISTANCE PLAN</b> <input type="radio"/> Insured Only <input type="radio"/> Insured & Dependents <input type="radio"/> Dependents Only <input type="radio"/> I do not want group dental coverage.	<b>4. DAVIS VISION PLAN</b> <input type="radio"/> Insured Only <input type="radio"/> Insured & Spouse/DP <input type="radio"/> Insured & Children <input type="radio"/> Insured & Family <input type="radio"/> Spouse/Domestic Partner Only <input type="radio"/> Spouse/Domestic Partner & Children <input type="radio"/> I do not want vision coverage.

**Other Coverage** - If you or any of your dependents listed in Section C have other medical coverage or Medicare, complete the following information. Persons eligible for Medicare must enroll in both Parts A & B.

Name of Policyholder	Insurance Co/ Medicare	Medicare Part A - Y/N	Medicare Part B - Y/N	Policy/Claim Number	Effective Date

C. DEPENDENT

Name (Last, First, Middle)	Marriage Date (mm/dd/yy)	Social Security Number	Relation	Birthdate (mm/dd/yy)	Sex (M/F)	Medical (Y/N)	Dental (Y/N)	FLEXTRA (Y/N)	Vision (Y/N)	IRS (Y/N)	DepAdd/ Drop

D. CONTRACT / AUTHORIZATION

**REASON FOR CHANGE:** \_\_\_\_\_

I certify that the information I have provided is true and correct and that I have not withheld information on this application. I am aware that any misrepresentation may cause my application to be rejected. I agree to comply with the rules set forth in the plan document(s) and/or insurance contract(s) for the plans offered by the City. I further authorize any physician and/or medical facility to release information about the health condition or treatment of myself and any dependent enrolled in the plan(s) to the Third Party Administrator or Contractor upon request as necessary to determine what will be paid and to process the claim. I certify that the dependent(s) listed in Section C are eligible dependent(s) as defined in the plan document(s). I agree that I am responsible for paying health care expenses incurred by each person for whom I am buying coverage and agree to reimburse any incorrect benefits payments made directly to me. I understand that the City has the right to collect contributions owed by a COBRA participant. Conversely, the COBRA participant will be reimbursed if an overpayment occurs; however, the City will reimburse only for up to 31 days of premiums. In addition, I hereby release the City from any liability that might be asserted against it in connection with its duties under this authorization.

Signature \_\_\_\_\_ Date \_\_\_\_\_

## RATES FOR 2012

The 2012 COBRA monthly rates for current or former employees and/or their covered dependents are listed below. The term "Insured" refers to the current or former City of Austin employee.

### UNITEDHEALTHCARE

Medical	HMO	PPO
Insured Only	\$501.12	\$463.06
Insured and Spouse/DP	\$1,124.51	\$1,039.05
Insured and Child(ren)	\$960.15	\$887.40
Insured and Family	\$1,547.47	\$1,430.06
Spouse/DP Only	\$501.12	\$463.06
Spouse/DP and Child(ren)	\$960.15	\$887.40
Child(ren) Only	\$501.12	\$463.06

Dental	Dental Assistance Plan
Insured Only	\$33.97
Insured and Dependents	\$95.10
Dependents Only	\$61.14

Vision	Davis Vision
Insured Only	\$ 4.45
Insured and Spouse/DP	\$ 8.81
Insured and Child(ren)	\$ 8.65
Insured and Family	\$13.16
Spouse/DP Only	\$ 4.45
Spouse and Child(ren)	\$ 8.65



# 2012 COBRA Enrollment Form (Dependents of Retirees)



Administered by:  
CompuSys/Erisa Group, Inc.  
13706 Research BLVD  
STE 308  
Austin, TX 78750 (512) 250-9397

## ADMINISTRATOR USE

COBRA EFFECTIVE DATE

COBRA ELIGIBILITY END DATE

- ☐ New Enrollment    ☐ Add Dependents    ☐ Name/Address Change    ☐ Change Coverage  
☐ Open Enrollment    ☐ Drop Dependents    ☐ Cancel Coverage    ☐ Reached Age 65

## COBRA PARTICIPANT DATA

SOC SEC NO	LAST NAME	FIRST NAME	MI	BIRTHDATE
ADDRESS		CITY	STATE	ZIP
COUNTY	HOME PHONE	<input type="radio"/> MALE	<input type="radio"/> FEMALE	<input type="radio"/> SINGLE <input type="radio"/> MARRIED
STATUS <input type="radio"/> SPOUSE/DP <input type="radio"/> FORMER SPOUSE/DP <input type="radio"/> CHILD(REN)		DATE OF COBRA QUALIFYING EVENT		
COBRA QUALIFYING EVENT <input type="radio"/> DIVORCE OR LEGAL SEPARATION <input type="radio"/> CHILD NO LONGER ELIGIBLE <input type="radio"/> DEATH OF RETIREE				

## CITY OF AUSTIN RETIREE DATA

SOC SEC NO	LAST NAME	FIRST NAME	MI
------------	-----------	------------	----

Do you want COBRA medical coverage? ☐ YES    ☐ NO

**NOTE: Persons eligible for Medicare must enroll in Medicare Parts A & B.**

- ☐ Spouse/Domestic Partner without Medicare  
☐ Spouse/Domestic Partner with Medicare  
☐ Child(ren) Only  
☐ Spouse/Domestic Partner without Medicare and Child(ren)  
☐ Spouse/Domestic Partner with Medicare and Child(ren)

**UnitedHealthcare**

☐ HMO    ☐ PPO

**Other Coverage** - If you or your dependents listed in Section D have other medical coverage or Medicare, complete the following information. Persons eligible for Medicare must enroll in both Medicare Parts A & B.

Name of Policyholder	Insurance Co/ Medicare	Medicare Part A - Y/N	Medicare Part B - Y/N	Policy/Claim Number	Effective Date

Do you want COBRA vision coverage? ☐ YES    ☐ NO

☐ Insured Only    ☐ Insured and 1 Dependent    ☐ Insured and Family

Do you want COBRA dental coverage? ☐ YES    ☐ NO

Assurant PrePaid Heritage Series ☐ Insured Only    ☐ Insured and 1 Dependent    ☐ Insured and Family    ☐ Spouse Only

Delta Dental - Indemnity Plan ☐ Insured Only    ☐ Insured and 1 Dependent    ☐ Insured and Family    ☐ Spouse Only

Name (Last, First, Middle)	Marriage Date (mm/dd/yy)	Social Security Number	Relation	Birthdate (mm/dd/yy)	Sex (M/F)	Medical (Y/N)	Vision (Y/N)	Dental (Y/N)	IRS Dep	Add/ Drop

**REASON FOR CHANGE:** \_\_\_\_\_

I certify that I have read the terms and conditions on the back of this form. I understand, acknowledge, and accept them.

SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_



## CONTRACT AGREEMENT AND AUTHORIZATION

I certify that the information I have provided is true and correct and that I have not withheld information on this application. I am aware that any misrepresentation may cause my application to be rejected. I agree to comply with the rules set forth in the plan document(s) and/or insurance contract(s) for the plans offered by the City. I further authorize any physician and/or medical facility to release information about the health condition or treatment of myself and any dependent enrolled in the plan(s) to the Contractor(s) upon request as necessary to determine what will be paid and to process the claim. I certify that the dependent(s) listed in Section D are eligible dependent(s) as defined in the plan document(s). I agree that I am responsible for paying health care expenses incurred by each person for whom I am buying coverage and agree to reimburse any incorrect benefits payments made directly to me. I understand that the City has the right to collect contributions owed by a COBRA participant. Conversely a COBRA participant will be reimbursed if an overpayment occurs; however, the City will reimburse only for up to 31 days of premiums. In addition, I hereby release the City from any liability that might be asserted against it in connection with its duties under this authorization.

<b>Medical</b>		
<b>Category</b>	<b>UnitedHealthcare HMO</b>	<b>UnitedHealthcare Choice Plus Plan</b>
Child(ren) Only	\$501.12	\$463.06
Spouse without Medicare	\$708.25	\$632.04
Spouse with Medicare	\$506.38	\$519.31

<b>Dental</b>		
<b>Category</b>	<b>Delta Dental</b>	<b>Assurant Employee Benefits Heritage Plus Specialist Benefit Plan</b>
Insured Only	\$27.88	\$10.34
Insured and One Dependent	\$58.65	\$16.97
Insured and Family	\$85.88	\$26.29

<b>Vision</b>	
<b>Category</b>	<b>Davis Vision</b>
Insured Only	\$ 4.45
Insured and Spouse	\$ 8.81
Insured and Child(ren)	\$ 8.65
Insured and Family	\$13.16



# 2012 City of Austin Continuation of Coverage for Domestic Partners Form

- ☐ New Enrollment    ☐ Add Dependents    ☐ Name/Address Change  
☐ Open Enrollment    ☐ Drop Dependents    ☐ Change/Cancel Coverage

Administered by:  
 CompuSys/Erisa Group, Inc.  
 13706 Research BLVD  
 STE 308  
 Austin, TX 78750  
 (512) 250-9397 (800) 933-7472

## ADMINISTRATOR USE

EFFECTIVE DATE

ELIGIBILITY END DATE

A. COBRA & EMPLOYEE DATA

### COBRA PARTICIPANT DATA

SOC SEC NO      LAST NAME      FIRST NAME      MI      Date of Birth

ADDRESS      CITY      STATE      ZIP      Telephone Number

STATUS    ☐ FORMER EMPLOYEE / RETIREE    ☐ SPOUSE /DOMESTIC PARTNER    ☐ FORMER SPOUSE /DOMESTIC PARTNER    ☐ CHILD

### QUALIFYING EVENT

- ☐ TERMINATION OF EMPLOYMENT/RETIREMENT    ☐ DEATH OF EMPLOYEE (36 months)  
☐ CHILD NO LONGER ELIGIBLE (36 months)    ☐ DISSOLUTION OF DOMESTIC PARTNERSHIP (36 months)

### CITY OF AUSTIN EMPLOYEE/FORMER EMPLOYEE DATA

SOC SEC NO      LAST NAME      FIRST NAME      MI

B. COVERAGE INFORMATION

#### 1. Medical Plan

UnitedHealthcare Medical Plans

☐ I do not elect Medical coverage

☐ PPO    ☐ HMO

#### Level of Coverage

☐ Domestic Partner Only    ☐ Domestic Partner and Child(ren)    ☐ Child(ren) Only of Domestic Partner

#### 2. Dental Assistance Plan

☐ I do not elect Dental coverage

☐ Domestic Partner Only    ☐ Domestic Partner and Child(ren)    ☐ Child(ren) Only of Domestic Partner

#### 3. Vision

☐ I do not elect Vision coverage

☐ Domestic Partner Only    ☐ Domestic Partner and Child(ren)    ☐ Child(ren) Only of Domestic Partner

C. Other Insurance

**Other Coverage** - If you or any of your dependents listed in Section D have other medical coverage or Medicare, complete the following information.

Name of Policyholder	Insurance Co/ Medicare	Medicare Part A - Y/N	Medicare Part B - Y/N	Policy/Claim Number	Effective Date

D. Dependent (s)

### Dependent Information

Dependent Name (Last, First, Middle)	Social Security Number	Relation	Birth date	Sex (M/F)	Medical (Y/N)	Dental (Y/N)	Vision (Y/N)	Life (Y/N)	Add/ Drop

Signature required on back of

**REASON FOR CHANGE:** \_\_\_\_\_

I certify that the information I have provided is true and correct and that I have not withheld information on this application. I am aware that any misrepresentation may cause my application to be rejected. I agree to comply with the rules set forth in the plan document(s) and/or insurance contract(s) for the plans offered by the City. I further authorize any physician and/or medical facility to release information about the health condition or treatment of myself and any dependent enrolled in the plan(s) to the Third Party Administrator or Contractor upon request as necessary to determine what will be paid and to process the claim. I certify that the dependent(s) listed in Section D are eligible dependent(s) as defined in the plan document(s). I agree that I am responsible for paying health care expenses incurred by each person for whom I am buying coverage and agree to reimburse any incorrect benefits payments made directly to me. I understand that the City has the right to collect contributions owed by a participant. Conversely, the participant will be reimbursed if an overpayment occurs; however, the City will reimburse only for up to 31 days of premiums. In addition, I hereby release the City from any liability that might be asserted against it in connection with its duties under this authorization.

Signature \_\_\_\_\_

Date \_\_\_\_\_

Revised 9/



City of Austin  
FLEXTRA Health Care  
Reimbursement Claim



**Mail to:** CompuSys/Erisa Group, Inc.  
13706 Research Blvd Ste 308  
Austin, TX 78750  
**Email to:** FLEXTRA@cserisa.com  
**Fax to:** (512) 250-2937  
**Telephone:** (512) 250-9397  
(800) 933-7472

## INSTRUCTIONS

1. Complete, sign and date this form.
2. Attach itemized documentation substantiating your eligible, out-of-pocket health care expenses. Expenses must be eligible under Section 125 of the Internal Revenue Code and not reimbursable by any other source.
3. Mail, fax or email this form and required documentation to CompuSys/Erisa.

Acceptable documentation includes:

- ✓ An itemized receipt showing the name of the patient, name and address of the healthcare provider, date of treatment, description of services provided and the amount paid for **copay expenses**.
- ✓ An Explanation of Benefits (EOB) from a medical or dental plan; required for **non-copay expenses** (i.e. out-of-network services, surgical procedures, global maternity care, medical equipment and supplies).
- ✓ A physician's letter of medical necessity, when required, stating the specific medical diagnosis/condition and recommended treatment. A letter is required for the reimbursement of over-the-counter (OTC) medications, weight loss programs, massage therapy, and other potentially eligible expenses.

## SECTION A: EMPLOYEE INFORMATION

(Please Print)

EMPLOYEE NAME (LAST, FIRST, MIDDLE)

SOCIAL SECURITY NUMBER

DATE OF BIRTH

MAILING ADDRESS

IS THIS A NEW ADDRESS:

☐ YES ☐ NO

CITY

STATE

ZIP CODE

WORK PHONE

HOME PHONE

## SECTION B: INSURANCE INFORMATION

(Please Print)

EMPLOYEE'S MEDICAL PLAN

EMPLOYEE'S DENTAL PLAN

EMPLOYEE'S VISION PLAN

NAME OF SPOUSE/DOMESTIC PARTNER

SPOUSE/DOMESTIC PARTNER'S MEDICAL PLAN

SPOUSE/ DOMESTIC PARTNER'S DENTAL PLAN

SPOUSE/ DOMESTIC PARTNER'S VISION PLAN

## SECTION C: EMPLOYEE CERTIFICATION

(Read this section carefully; then date and sign this form.)

Total Number of Receipts/EOBs Attached \_\_\_\_\_

Estimated Reimbursement Amount \$ \_\_\_\_\_ Number of pages attached \_\_\_\_\_

I want the above requested reimbursement from my \_\_\_\_\_ FLEXTRA Health Care Account. **(Specify Plan Year)**

I certify that the attached charges are eligible health care expenses under the Internal Revenue Code, the charges have been incurred, and that I have not been reimbursed by, nor are these charges reimbursable by any other source. I also certify that I will not claim these charges as a credit on my personal income tax return. I understand that failure to submit claims with all required documentation by **May 31<sup>st</sup>** following the close of the Plan Year (March 15th) will result in my expenses not being reimbursed and I will lose any money left in my account. **Claims must be postmarked by May 31st.**

SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_

See reverse side for examples of expenses that are eligible or ineligible for reimbursement  
by the City of Austin FLEXTRA Health Care Account



## ELIGIBLE AND INELIGIBLE HEALTH CARE EXPENSES

Below is a representative list of health care expenses eligible for reimbursement under Section 125 of the Internal Revenue Code, and examples of ineligible expenses. For a complete list, see Publication 502, Medical and Dental Expenses. Health care expenses may include amounts paid for the diagnosis, cure, mitigation, treatment, or prevention of disease, and for treatments affecting any part or function of the body. The expenses must be primarily to alleviate or prevent a physical or mental defect or illness. They are not merely beneficial to one's general health.

### EXAMPLES OF ELIGIBLE, INELIGIBLE AND POTENTIALLY ELIGIBLE EXPENSES

#### ELIGIBLE EXPENSES

- ◆ Copays, coinsurance and deductibles
- ◆ Acupuncture
- ◆ Chiropractic care
- ◆ Contraceptive devices and supplies
- ◆ Dental care (excluding cosmetic services)
- ◆ Diabetic supplies, Insulin
- ◆ Hearing aids, Hearing aid batteries
- ◆ Home medical equipment
- ◆ Infertility treatment
- ◆ Laser eye surgery (i.e. LASIK)
- ◆ Medical/first aid supplies
- ◆ Occupation Therapy
- ◆ Orthodontia\* (See below)
- ◆ Orthotics
- ◆ Physical therapy
- ◆ Prescription drugs
- ◆ Preventive care, Routine physical exams
- ◆ Prosthetic appliances
- ◆ Psychotherapy
- ◆ Smoking cessation aids (i.e. gum, patches)
- ◆ Specialized equipment or services for disabled persons
- ◆ Speech therapy
- ◆ Sterilization
- ◆ Sunscreen, with SPF 30 or higher
- ◆ Transportation for medical care
- ◆ Well-baby and well-child care
- ◆ Vision care (exams, glasses, contact lenses and solutions, artificial eyes, RX sunglasses)

#### INELIGIBLE EXPENSES

- ◆ Cosmetic procedures or treatments
- ◆ Cosmetic dentistry (i.e. veneers, crowns, tooth whitening)
- ◆ Diet foods or meal replacements
- ◆ Health club/gym membership fees
- ◆ Humidifier and air conditioning filters
- ◆ Insurance/COBRA premiums
- ◆ Interpersonal relationship counseling
- ◆ Late payment fees or finance charges
- ◆ Missed appointment or administrative fees
- ◆ OTC (i.e. cosmetics, medicated shampoo/soap, toothpaste, tooth brush, mouthwash, cleansers, moisteners, and vitamin/mineral/herbal/dietary supplements)
- ◆ Rogaine or other hair growth drugs
- ◆ Sun clips for prescription eyeglasses
- ◆ Wellness or self-improvement classes

#### POTENTIALLY ELIGIBLE EXPENSES\*\*

- ◆ Acne medications, not cleansers
- ◆ Glucosamine/Chondroitin
- ◆ Lactose intolerance pills
- ◆ Massage therapy
- ◆ Nasal sprays for snoring
- ◆ Orthopedic inserts
- ◆ OTC medications, drugs or biologicals\*\*\*
- ◆ OTC hormone therapy for menopause\*\*\*
- ◆ Prenatal vitamins
- ◆ Weight-loss programs

\*Amount reimbursable for Orthodontia is determined as claims are processed by your dental plan, throughout treatment. The difference between the billed charge and the payment made by the dental plan is the amount reimbursable. **Note:** This may not equal your monthly payment according to the financial arrangement you have made with the provider.

\*\* Physician's letter of medical necessity, including the treatment and duration for a specified medical condition, is required.

\*\*\* OTC medications require a valid physician's prescription for the specific item purchased

If you have questions regarding expenses reimbursable by the City of Austin FLEXTRA Health Care Account, contact CompuSys/Erisa at (512) 250-9397.



**City of Austin**  
**FLEXTRA Dependent Care**  
**Reimbursement Claim Form**



Mail to: CompuSys/Erisa Group, Inc.  
 13706 Research Blvd Ste 308  
 Austin, TX 78750  
 Fax to: (512) 250-2937  
 Telephone: (512) 250-9397  
 (800) 933-7472

**INSTRUCTIONS**

1. Complete, sign and date this form. Mail or Fax this form and documentation to Compusys/Erisa Group—Austin.
2. Attach itemized documentation from the dependent care provider indicating the provider's name, address, tax identification number, dates of service (from-to), name of the dependent, services rendered and the amount paid.
3. If you do not have an itemized receipt, have the dependent care provider complete, sign and date Section C of this form.

**SECTION A: EMPLOYEE INFORMATION (Please Print)**

EMPLOYEE NAME (LAST, FIRST, MIDDLE)		SOCIAL SECURITY NUMBER	DATE OF BIRTH
MAILING ADDRESS			IS THIS A NEW ADDRESS? <input type="checkbox"/> YES <input type="checkbox"/> NO
CITY	STATE	ZIP CODE	
WORK PHONE		HOME PHONE	

**SECTION B: DEPENDENT CARE INFORMATION (Please Print)**

DEPENDENT NAME	RELATIONSHIP	DATE OF BIRTH	DEPENDENT CARE PROVIDER
DEPENDENT NAME	RELATIONSHIP	DATE OF BIRTH	DEPENDENT CARE PROVIDER
DEPENDENT NAME	RELATIONSHIP	DATE OF BIRTH	DEPENDENT CARE PROVIDER
DEPENDENT NAME	RELATIONSHIP	DATE OF BIRTH	DEPENDENT CARE PROVIDER

DATES OF SERVICE: FROM / / TO / / AMOUNT PAID \$

**SECTION C: SERVICE PROVIDER CERTIFICATION (To be completed by service provider as a receipt for services)**

DEPENDENT CARE PROVIDER NAME TAX I.D./SOCIAL SECURITY NUMBER

DATES OF SERVICE: FROM / / TO / / AMOUNT PAID \$

NATURE OF SERVICE (i.e. day care, other school care, etc.)

PROVIDER SIGNATURE DATE

**SECTION D: EMPLOYEE CERTIFICATION (Read this section carefully; then date and sign this form.)**

I want this reimbursement from my \_\_\_\_\_ FLEXTRA Dependent Care Account. (Specify Plan Year)

I certify that the charges attached or listed above are eligible dependent care expenses under the Internal Revenue Code, the charges have been incurred, and that I have not been reimbursed by, nor are these charges reimbursable by any other source. I also certify that I will not claim these charges as a credit on my personal income tax return. I understand that failure to submit claims with all required documentation by **MAY 31<sup>st</sup>** following the close of the Plan Year (March 15<sup>th</sup>) will result in my expenses not being reimbursed and I will lose any money left in my account. **Claims must be postmarked by MAY 31<sup>st</sup>.**

SIGNATURE DATE

If funds are available in your account, checks are mailed by 5 p.m. Friday for claims received by Wednesday.



## CITY OF AUSTIN FLEXTRA ACCOUNT

Administrative Office: CompuSys/Erisa Group, Inc.  
13706 Research Blvd. Ste 308 Austin, TX 78750 Phone: (512)250-9397 Fax: (512)250-2937 Email: Flextra@cserisa.com

05/22/2012

Mary Smith  
1234 Main Street  
Anywhere, US 12345

Dear Mary Smith,

Thank you for submitting your 2012 Flextra reimbursement claim. However, we are unable to process your requested reimbursement of the following expense(s) for the reason(s) indicated below:

<u>Reference Number</u>	<u>Filed by you on</u>	<u>Received by CompuSys/Erisa on</u>
2012-321-236	05/21/2012	05/21/2012

### Health Care Reimbursement Account:

Type of Service: Fees to medical provider.  
Service Provider: Medical & Acupuncture Clinic, PC.  
For Service covering the period of 05/14/2012 through 05/17/2012  
For Dependent: John Smith  
Amount Claimed: \$50.00  
Amount Rejected: \$25.00  
**Reason for Returning:** Duplicate reimbursement request.  
\$25 for services on 5/14/2012 was reimbursed with claim 2012-321-235.

### Health Care Reimbursement Account:

Type of Service: Transportation fees for and essential medical care.  
Service Provider: Parking  
For Service covering the period of 04/06/2012 through 04/06/2012  
For Dependent: Karen Smith  
Amount Claimed: \$11.00  
Amount Rejected: \$11.00  
**Reason for Returning:** Incomplete claim/Additional documentation required.  
Documentation for medical services incurred on 04/06/2012 is needed to correspond with this parking fee.

**Please return this letter with the requested information.** Any eligible expenses submitted will be processed in the current payment cycle. The eligible expense(s) listed above will be reprocessed upon receipt of the necessary documentation

If you have any questions regarding this request, please contact the FLEXTRA department. You may review your account and access information about the FLEXTRA Accounts at [www.coaflextra.com](http://www.coaflextra.com).

Sincerely,  
The FLEXTRA department  
CompuSys/Erisa Group, Inc.

## CITY OF AUSTIN FLEXTRA ACCOUNT

Administrative Office: CompuSys/Erisa Group, Inc.  
13706 Research Blvd. Ste 308 Austin, TX 78750  
Phone: (512)250-9397 Fax: (512)250-2937 Email: Flextra@cserisa.com

05/22/2012

Mary Smith  
1234 Main Street  
Anywhere, US 12345

Dear Mary Smith,

Our office is providing you with this notice of a direct deposit transaction that has been processed for reimbursement through your FLEXTRA account. The transaction details appear below. Please contact us if you have any questions.

Financial Institution	Routing Number	Origination Date	Settlement Date	Amount Deposited
Wells Fargo Bank, NA	121042882	5/22/2012	5/23/2012	\$214.30

### Explanation of Benefits

Claim #	Mary Smith			Received on	Amount	Not	Amount	Amount	Amount
2012-321-240				5/18/2012	Claimed	Covered	Prev. Paid	Pending	Paid
					\$150.00	\$0.00	\$0.00	\$23.00	\$127.00
Expense	Dependent	Provider	Service on						
Dependent Care	Karen Smith	Clark Child Care	5/1/2012		\$23.00	\$0.00	\$0.00	\$23.00	\$0.00
Dependent Care	Karen Smith	Clark Child Care	5/1/2012		\$127.00	\$0.00	\$0.00	\$0.00	\$127.00

Claim #	Mary Smith			Received on	Amount	Not	Amount	Amount	Amount
2012-314-168				4/24/2012	Claimed	Covered	Prev. Paid	Pending	Paid
					\$300.00	\$0.00	\$234.70	\$0.00	\$65.30
Expense	Dependent	Provider	Service on						
Dependent Care	Karen Smith	Clark Child Care	3/19/2012		\$234.70	\$0.00	\$234.70	\$0.00	\$0.00
Dependent Care	Karen Smith	Clark Child Care	3/19/2012		\$65.30	\$0.00	\$0.00	\$0.00	\$65.30

Claim #	Mary Smith			Received on	Amount	Not	Amount	Amount	Amount
2012-321-240				5/18/2012	Claimed	Covered	Prev. Paid	Pending	Paid
					\$22.00	\$0.00	\$0.00	\$0.00	\$22.00
Expense	Dependent	Provider	Service on						
Health Care	John Smith	Clayton Eyecare	5/9/2012		\$15.00	\$0.00	\$0.00	\$0.00	\$15.00
Health Care	Mary Smith	Walgreens	5/3/2012		\$7.00	\$0.00	\$0.00	\$0.00	\$7.00

### Account Balance

Plan Year	Account	Annual Election	Amount Accrued	Amount Paid	Balance
2012	Health Care	\$1,500.00	\$576.90	\$243.28	\$1,256.72
2012	Dependent Care	\$4,992.00	\$1,872.00	\$1,872.00	

# CITY OF AUSTIN FLEXTRA ACCOUNT

Administrative Office: CompuSys/Erisa Group, Inc.  
13706 Research Blvd. Ste 308 Austin, TX 78750 Phone: (512)250-9397 Fax: (512)250-2937 Email: Flextra@cserisa.com

05/05/2012

Mary Smith  
1234 Main Street  
Anywhere, US 12345

Plan Year: 2012

## STATEMENT OF YOUR FLEXTRA ACCOUNT ACTIVITY AS OF 04/30/2012

This is your FLEXTRA Account activity statement. It reflects your payroll contributions through the last payday in this period and all benefit payments issued as of 04/30/2012.

Account/Claim Type		For Services From Thru		Amount Claimed	Amount Ineligible	Amount Paid	Amount Payable	Service Provider
Health	Debit Card	01/01/12	01/01/12	\$62.79	\$0.00	\$62.79	\$0.00	WALGREENS #7023
Dependent	Claim	01/01/12	01/01/12	\$400.00	\$400.00	\$0.00	\$0.00	LAKE HILLS MONTESSORI
Dependent	Claim	01/02/12	01/20/12	\$596.55	\$0.00	\$596.55	\$0.00	LAKE HILLS MONTESSORI
Health	Debit Card	01/05/12	01/05/12	\$25.00	\$0.00	\$25.00	\$0.00	BRENT BENNETT MD
Health	Debit Card	01/05/12	01/05/12	\$10.00	\$0.00	\$10.00	\$0.00	WALGREENS #7023
Health	Debit Card	01/07/12	01/07/12	\$18.70	\$0.00	\$18.70	\$0.00	WALGREENS #7023
Health	Debit Card	01/09/12	01/09/12	\$35.00	\$0.00	\$35.00	\$0.00	TEXAS NEUROLOGY CENTER
Health	Debit Card	01/16/12	01/16/12	\$25.00	\$0.00	\$25.00	\$0.00	HILL COUNTRY PEDIA
Health	Debit Card	01/19/12	01/19/12	\$90.00	\$0.00	\$90.00	\$0.00	WALGREENS #7023
Health	Debit Card	01/20/12	01/20/12	\$45.30	\$0.00	\$45.30	\$0.00	WALGREENS #7023
Health	Debit Card	01/23/12	01/23/12	\$4.43	\$0.00	\$4.43	\$0.00	WALGREENS #7023
Health	Debit Card	01/23/12	01/23/12	\$35.00	\$0.00	\$35.00	\$0.00	AUSTIN EAR NOSE AND TH
Dependent	Claim	01/23/12	01/27/12	\$198.89	\$0.00	\$198.89	\$0.00	LAKE HILLS MONTESSORI
Health	Offset	01/24/12	01/24/12	(\$28.00)	\$0.00	(\$28.00)	\$0.00	AUSTIN EAR NOSE AND TH
Health	Debit Card	01/24/12	01/24/12	\$28.00	\$0.00	\$28.00	\$0.00	AUSTIN EAR NOSE AND TH
Health	Debit Card	01/25/12	01/25/12	\$35.00	\$0.00	\$35.00	\$0.00	SARA A. WESTGATE.
Health	Debit Card	01/27/12	01/27/12	\$55.00	\$0.00	\$55.00	\$0.00	APOTHECARY SHOP
Dependent	Claim	01/30/12	01/31/12	\$79.56	\$0.00	\$79.56	\$0.00	LAKE HILLS MONTESSORI
Dependent	Claim	02/01/12	02/17/12	\$541.71	\$0.00	\$541.71	\$0.00	LAKE HILLS MONTESSORI
Health	Debit Card	02/07/12	02/07/12	\$30.00	\$0.00	\$30.00	\$0.00	WALGREENS #11272
Health	Debit Card	02/15/12	02/15/12	\$4.43	\$0.00	\$4.43	\$0.00	WALGREENS #7023
Health	Debit Card	02/16/12	02/16/12	\$54.00	\$0.00	\$54.00	\$0.00	WALGREENS #7023
Dependent	Claim	02/20/12	02/24/12	\$208.31	\$0.00	\$208.31	\$0.00	LAKE HILLS MONTESSORI
Dependent	Claim	02/27/12	02/29/12	\$124.98	\$0.00	\$124.98	\$0.00	LAKE HILLS MONTESSORI
Dependent	Claim	03/01/12	03/09/12	\$278.45	\$0.00	\$278.45	\$0.00	LAKE HILLS MONTESSORI
Dependent	Claim	03/12/12	03/16/12	\$198.85	\$0.00	\$51.55	\$147.30	LAKE HILLS MONTESSORI
Health	Debit Card	03/13/12	03/13/12	\$30.00	\$0.00	\$30.00	\$0.00	WALGREENS #7023
Dependent	Claim	03/19/12	03/23/12	\$198.85	\$0.00	\$0.00	\$198.85	LAKE HILLS MONTESSORI
Health	Debit Card	03/20/12	03/20/12	\$4.43	\$0.00	\$4.43	\$0.00	WALGREENS #7023
Health	Debit Card	03/22/12	03/22/12	\$10.00	\$0.00	\$10.00	\$0.00	WALGREENS #7023

Account/Claim Type		For Services From Thru		Amount Claimed	Amount Ineligible	Amount Paid	Amount Payable	Service Provider
Dependent	Claim	03/26/12	03/30/12	\$198.85	\$0.00	\$0.00	\$198.85	LAKE HILLS MONTESSORI
Dependent	Claim	04/02/12	04/06/12	\$208.35	\$0.00	\$0.00	\$208.35	LAKE HILLS MONTESSORI
Health	Debit Card	04/04/12	04/04/12	\$60.00	\$0.00	\$60.00	\$0.00	MEDCO HEALTH FAIRFIELD
Health	Debit Card	04/05/12	04/05/12	\$10.00	\$0.00	\$10.00	\$0.00	WALGREENS #7023
Dependent	Claim	04/09/12	04/13/12	\$208.35	\$0.00	\$0.00	\$208.35	LAKE HILLS MONTESSORI
Health	Debit Card	04/12/12	04/12/12	\$25.00	\$0.00	\$25.00	\$0.00	BEE CAVES FAMILY PRACT
Dependent	Claim	04/16/12	04/20/12	\$208.34	\$0.00	\$0.00	\$208.34	LAKE HILLS MONTESSORI
Health	Debit Card	04/18/12	04/18/12	\$100.00	\$0.00	\$100.00	\$0.00	MEDCO HEALTH FT WORTH
Health	Debit Card	04/20/12	04/20/12	\$4.43	\$0.00	\$4.43	\$0.00	WALGREENS #7023
Health	Debit Card	04/21/12	04/21/12	\$25.00	\$0.00	\$25.00	\$0.00	HILL COUNTRY PEDIA
Health	Debit Card	04/23/12	04/23/12	\$168.01	\$0.00	\$168.01	\$0.00	WALGREENS #7023
Dependent	Claim	04/23/12	04/27/12	\$208.30	\$0.00	\$0.00	\$208.30	LAKE HILLS MONTESSORI
Health	Debit Card	04/24/12	04/24/12	\$10.00	\$0.00	\$10.00	\$0.00	WALGREENS #7023
Dependent	Claim	04/30/12	04/30/12	\$41.66	\$0.00	\$0.00	\$41.66	LAKE HILLS MONTESSORI
Health	Debit Card	05/01/12	05/01/12	\$35.00	\$0.00	\$35.00	\$0.00	TEXAS ORTHOPEDICS WL
Dependent	Claim	05/01/12	05/04/12	\$152.20	\$0.00	\$0.00	\$152.20	LAKE HILLS MONTESSORI
Health	Debit Card	05/04/12	05/04/12	\$10.00	\$0.00	\$10.00	\$0.00	WALGREENS #7023
Dependent	Claim	05/07/12	05/11/12	\$190.20	\$0.00	\$0.00	\$190.20	LAKE HILLS MONTESSORI
Health	Debit Card	05/11/12	05/11/12	\$10.00	\$0.00	\$10.00	\$0.00	WALGREENS #7023
Health	Debit Card	05/11/12	05/11/12	\$30.00	\$0.00	\$30.00	\$0.00	WALGREENS #11272
Dependent	Claim	05/14/12	05/18/12	\$190.20	\$0.00	\$0.00	\$190.20	LAKE HILLS MONTESSORI
Health	Debit Card	05/16/12	05/16/12	\$4.43	\$0.00	\$4.43	\$0.00	WALGREENS #7023
Dependent	Claim	05/21/12	05/25/12	\$190.20	\$0.00	\$0.00	\$190.20	LAKE HILLS MONTESSORI
Health	Debit Card	05/22/12	05/22/12	\$30.00	\$0.00	\$30.00	\$0.00	WALGREENS #7023
Dependent	Claim	05/28/12	05/31/12	\$152.20	\$0.00	\$0.00	\$152.20	LAKE HILLS MONTESSORI
<b>**TOTAL**</b>				<b>\$5,870.95</b>	<b>\$400.00</b>	<b>\$3,175.95</b>	<b>\$2,295.00</b>	

**Year to date account summary as of 04/30/2012.**

Plan Year	Account	Annual Election	Amount Accrued	Amount Paid	Balance
2012	Health Care	\$1,560.00	\$520.00	\$976.52	\$583.48
2012	Dependent Care	\$4,992.00	\$1,664.00	\$1,664.00	

If you have questions regarding this statement, please contact the FLEXTRA department. You may review your account and access information about the FLEXTRA Accounts at [www.coaflextra.com](http://www.coaflextra.com).

## IMPORTANT NOTICE—DOCUMENTATION REQUIRED

05/24/2012

CompuSys/Erisa Group Inc.  
13706 Research BLVD  
STE 308  
(800) 933-7472

Employee ID: XXX-XX-7777

Employer Name: City of Austin Austin, TX 78750

Transaction #: 1222-3344-567

Admin. Phone: (512) 250-9397

Smith, Mary  
1234 Main Street  
Anywhere, US

DATE	DESCRIPTION	AMOUNT
05/21/2012	CAPITOL ANESTHESIOLOGY	\$165.98
05/16/2012	SETON HOSPITAL	\$827.42

Dear FLEXTRA Participant:

As the Administrator for the City of Austin's FLEXTRA Health Care Account, CompuSys/Erisa is overseeing the activity of your FSA Benefits card. Since this program provides a tax benefit to you, the IRS requires substantiation of all debit card transactions. Fortunately, we are able to substantiate many transactions automatically according to the current IRS guidelines. However, the transaction(s) listed above require that you provide itemized documentation for substantiation of the expense.

Please return this request with an itemized statement of the charges. An Explanation of Benefits (EOB) is required for any claims subject to deductible and/or co-insurance (i.e. surgery, out of network services). Documentation must include the patient's name, provider's name, date of service, a description of the service provided/supply purchased, the amount of the expense incurred and insurance payments/credits if applicable. A cash register receipt/credit card slip is not acceptable documentation.

This documentation should be returned to our office promptly for verification that the expense incurred is eligible. If it has not been received in our office in the next 30 days or it is determined to be ineligible, your FSA Benefits card may be temporarily deactivated. For your convenience, the itemized documentation may be mailed to the address above, emailed to [FLEXTRA@cserisa.com](mailto:FLEXTRA@cserisa.com) or faxed to (512)250-2937.

Sincerely,

The FLEXTRA Department



## 2011 FLEXTRA Account Balance Reminder Notice

Mary Smith  
1234 Main Street  
Anywhere, US 12345

Dear FLEXTRA Participant:

**Open Enrollment is coming!** Don't miss your opportunity to make changes to your FLEXTRA Health Care Account for 2012. Participate in online enrollment, October 16<sup>th</sup> to November 20<sup>th</sup>, to increase or decrease your contributions and request a FLEXTRA Benefits card for your eligible IRS dependent, if you do not already have a dependent card. The online enrollment website is [www.coaopenenrollment.com](http://www.coaopenenrollment.com).

Our records indicate the unclaimed balance in your 2011 FLEXTRA account, as of October 7, 2011 is:

**Health Care Reimbursement Account      \$1,828.51**

As a reminder, you can only access your 2011 balance with your FLEXTRA Benefits card until December 31, 2011. For reimbursement of expenses incurred during the plan extension period, January 1 to March 15, 2012, you will need to submit a claim for reimbursement from your 2011 FLEXTRA Account.

**Do you know you have online access to your current FLEXTRA Health Care Account balance and transaction history?**

Register to view your account information at [www.benefitspaymentsystem.com](http://www.benefitspaymentsystem.com).

1. Select the Participant Login.
2. Click on Create Account.
3. Enter the Employee Name, Employee ID #(your Social Security Number-no dashes) and the debit card number.
4. Select your user name and password (must be 8-20 characters, including a number).
5. Complete the security questions and Submit.

For your convenience, FLEXTRA claim forms are available at the Employee Benefits Division office, may be downloaded from the City of Austin's website, or we'll gladly email, fax or mail one to you. Your completed claim may be emailed to [FLEXTRA@cserisa.com](mailto:FLEXTRA@cserisa.com), faxed to 512-250-2937 or mailed to 12325 Hymeadow DR Bldg 4-100 Austin, TX 78750.

Sincerely,

The FLEXTRA Department



City of Austin FLEXTRA  
Phone: (512)250-9397  
Fax: (512)250-2937  
Email: FLEXTRA@cserisa.com

CompuSys/Erisa Group, Inc.  
13706 Research Blvd. Ste. 308  
Austin, TX 78750

## **USE IT OR LOSE IT!!!**

Mary Smith  
1234 Main Street  
Anywhere, US 12345

Dear FLEXTRA Participant:

The 2011 FLEXTRA Plan Year extension will end on March 15, 2012. You have until May 31, 2012 to submit claims for reimbursement from your 2011 FLEXTRA account for unreimbursed, eligible expenses incurred during the plan year of January 1, 2011 to March 15, 2012, or during your period of participation in the plan.

**You may not use your FSA Benefits Card to pay for any 2011 expenses.** Any payments made with the debit card after December 31, 2011 are deducted from your 2012 FLEXTRA account balance. If debit card payments have been made in error, the 2012 account will need to be refunded. Funds cannot be transferred between plan years.

**Our records indicate you have an unclaimed balance in your 2011 FLEXTRA account, as of February 10, 2012.**

**Health Care Reimbursement Account                      \$23.05**

The deadline for filing claims for 2011 expenses incurred between January 1, 2011 and March 15, 2012 is May 31, 2012. All claims must be postmarked by May 31, 2012. Late submissions or incomplete claims will not be processed. Any amount not claimed by May 31, 2012 will be forfeited. Please file your claims early to allow time for reprocessing if necessary.

For your convenience, FLEXTRA Health Care Reimbursement claim forms are available at the Employee Benefits Division, downloadable from the City of Austin's intranet website or we'll fax/email the form to you upon request. Completed reimbursement claims, including itemized documentation for unreimbursed, eligible expenses, may be emailed, faxed or mailed to the address listed above. Please note: This letter is **not** a reimbursement claim form.

Sincerely,

The FLEXTRA Department

# 2011 EMPLOYEE COVERAGE INFORMATION STATEMENT

If you do not wish to make any benefit changes, you do not need to participate in Open Enrollment. Your 2011 benefits and the dependents currently covered (as listed below) will automatically roll over to 2012. Any changes made to your benefits in September or later may not be reflected. To update your address or make benefit changes for 2012, you will need to participate in Open Enrollment, using your **Employee Identification Number** and the **first 5 digits** of your **Social Security Number**. Dependent's dates of birth and Social Security Numbers are necessary for enrollment. For corrections to your name or date of birth, contact the Employee Benefits Division at 512-974-3284.

**Online Enrollment:** [www.coaopenenrollment.com](http://www.coaopenenrollment.com) **Telephone Enrollment Number:** 512-493-1350

**Your Employee Identification Number is:** 88888888 **Open Enrollment Dates:** 10/17-11/18/2011

SMITH, MARY  
11A123 BC0003

1234 Main Street  
Anywhere US 12345

DOB: 1/2/1984

**2012 Premium Deductions**  
**Per Pay Period**  
*based on 24 pay periods annually*

<b>Medical Plan and Coverage Level:</b>	UNITEDHEALTHCARE CHOICE PLUS PPO	EMPLOYEE & FAMILY	\$228.33
<b>Covered Dependents:</b>	JOHN SMITH; KAREN SMITH		
<b>Dental Plan and Coverage Level:</b>	DENTAL ASSISTANCE PLAN	EMPLOYEE & FAMILY	\$18.84
<b>Covered Dependents:</b>	JOHN SMITH; KAREN SMITH		
<b>Vision Plan and Coverage Level:</b>	DAVIS VISION PLAN	EMPLOYEE & SPOUSE/DP	\$4.32
<b>Covered Dependents:</b>	JOHN SMITH		
<b>Employee Basic Life Insurance:</b>	1x ANNUAL SALARY		\$0.00
<b>*Employee Supplemental Life/Pre-Tax Option:</b>	4x ANNUAL SALARY/PRE-TAX	\$198,000.00	\$6.06
<b>Dependent Life Coverage:</b>	OPTION 2 FAMILY (\$20,000/\$10,000)		\$1.63
<b>Covered Dependents:</b>	JOHN SMITH; KAREN SMITH		
<b>Short Term Disability:</b>	YES		\$0.00
<b>*Long Term Disability:</b>	YES		\$2.63
<b>FLEXTRA Health Care:</b>	YES		\$75.00
<b>Covered Dependents:</b>	JOHN SMITH; KAREN SMITH		
<b>FLEXTRA Dependent Care:</b>	YES		\$100.00
<b>Covered Dependents:</b>	KAREN SMITH		
<b>Prepaid Legal Coverage Level:</b>	EMPLOYEE & FAMILY		\$7.58
<b>Covered Dependents:</b>	JOHN SMITH; KAREN SMITH		
<b>IRS Dependents:</b>	JOHN SMITH; KAREN SMITH		

**Total:** **\$444.39**

**\*\*Additional Taxable Income Amount:** \$0.00

\* Employee Supplemental Life Insurance and Long Term Disability Coverage premiums are calculated based on your age and salary as of September 10, 2011, actual premiums for 2012 may be higher depending on age/salary changes.

\*\* If you chose benefits coverage for a dependent who does not qualify to be claimed on your Federal income tax return, you may have to pay taxes on the amount of money the City contributes for his or her medical and/or dental benefits. This money is considered taxable income and must be reported to the IRS. A spouse, biological, adopted or stepchild, a child for which you have obtained guardianship or conservatorship, or a child who is an IRS dependent will not be subject to taxable income as allowed under the Internal Revenue code § 105 and 106.

# 2012 EMPLOYEE BENEFITS CONFIRMATION STATEMENT

Date: 11/21/2011

Enrollment Date/Time: 11/18/2011 16:20:47

This statement reflects the benefits for you and your eligible dependents effective January 1, 2012. REVIEW THE INFORMATION FOR ACCURACY. If corrections are needed, contact CompuSys/Erisa at (512) 250-9397 before November 18, 2011 or contact the Employee Benefits Division (EBD) at 974-3284 within 48 hours of receiving this statement. If you fail to contact EBD, corrections may not be possible.

If adding a dependent - submit the required documentation (marriage license, birth certificate, domestic partner affidavit, etc.) to your Open Enrollment Coordinator no later than November 18, 2011. Your name and social security number should be on each document.

First Premium deductions will appear on your January 20, 2012 paycheck.

SMITH, MARY

1234 Main Street

Anywhere

11A123

ABCDEF123

US 12345

## Premium Deductions Per Pay Period

*based on 24 pay periods annually*

<b>Medical Plan and Coverage Level:</b> UNITEDHEALTHCARE CHOICE PLUS PPO	EMPLOYEE & FAMILY	\$228.33
<b>Covered Dependents:</b> JOHN SMITH; KAREN SMITH		
<b>Dental Plan and Coverage Level:</b> DENTAL ASSISTANCE PLAN	EMPLOYEE & FAMILY	\$18.84
<b>Covered Dependents:</b> JOHN SMITH; KAREN SMITH		
<b>Vision Plan and Coverage Level:</b> DAVIS VISION PLAN	EMPLOYEE ONLY	\$2.18
<b>Covered Dependents:</b>		
<b>Employee Basic Life Insurance:</b> 1x ANNUAL SALARY		\$0.00
<b>*Employee Supplemental Life/Pre-Tax Option:</b> 4x ANNUAL SALARY/PRE-TAX	\$198,000.00	\$6.06
<b>Dependent Life Coverage:</b> OPTION 2 FAMILY (\$20,000/\$10,000)		\$1.63
<b>Covered Dependents:</b> JOHN SMITH; KAREN SMITH		
<b>Short Term Disability:</b> YES		\$0.00
<b>*Long Term Disability:</b> YES		\$2.63
<b>FLEXTRA Health Care Amount:</b> YES		\$90.00
<b>Covered Dependents:</b> JOHN SMITH; KAREN SMITH		
<b>FLEXTRA Dependent Care Amount:</b> YES		\$88.00
<b>Covered Dependents:</b> KAREN SMITH		
<b>Prepaid Legal Coverage Level:</b> EMPLOYEE & FAMILY		\$7.58
<b>Covered Dependents:</b> JOHN SMITH; KAREN SMITH		

**IRS Dependents:** JOHN SMITH; KAREN SMITH

**Total:** **\$445.25**

**\*\*Additional Taxable Income Amount:** \$0.00

\*Employee Supplemental Life Insurance and Long Term Disability Coverage premiums are calculated based on your age and salary as of September 10, 2011, actual premiums for 2012 may be higher depending on age/salary changes.

\*\*If you chose benefits coverage for a dependent who does not qualify to be claimed on your Federal income tax return, you may have to pay taxes on the amount of money the City contributes for his or her medical and/or dental benefits. This money is considered taxable income and must be reported to the IRS. A spouse, biological, adopted or stepchild, a child for which you have obtained guardianship or conservatorship, or a child who is an IRS dependent will not be subject to taxable income as allowed under the Internal Revenue code § 105 and 106.

# 2011 RETIREE COVERAGE INFORMATION STATEMENT

Open Enrollment is October 17 - November 18, 2011

Online Enrollment: [www.coaopenenrollment.com](http://www.coaopenenrollment.com) Telephone Enrollment Number: 512-493-1350

Your Personal Identification Number (PIN) is: [REDACTED]

[REDACTED]  
[REDACTED]  
APT 1301

AUSTIN

TX 78704-6415

DOB: 2/3/1936

## 2012 Monthly Rates

### Medical Coverage

Medical Plan:	UNITEDHEALTHCARE CHOICE PLUS PPO 8B3	\$230.81
Coverage Level:	Retiree with Medicare A & B	
Covered Dependents:		

### Dental Coverage

Dental Plan:	ASSURANT A1	\$10.14
Coverage Level:	Retiree Only	
Covered Dependents:		

### Vision Coverage

Vision Plan:	WAIVE	\$0.00
Coverage Level:		
Covered Dependents:		

Monthly Total:	\$240.95
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### Important Information

- If you do not wish to make any benefit changes, you do not need to participate in Open Enrollment. Your 2011 benefits and the dependents currently covered, as listed above, will automatically roll over for 2012.
- Changes made to your benefits in September or later may not be reflected. You will need to make these changes again during Open Enrollment for the change to continue in 2012.
- If you or your covered dependent is enrolled in both Medicare A & B, verify that the Medical Coverage Level reflects the Medicare Coverage accurately. If the Medicare information is incorrect, contact the Employee Benefits Division at 512-974-3284.
- Corrections to address or marital status can be made during Open Enrollment by using the online or telephone systems.
- To use the online or telephone system you will need your PIN located at the top of this form.
- The Online Enrollment System [www.coaopenenrollment.com](http://www.coaopenenrollment.com) is available 24/7, October 17 – November 20, 2011.
- The Telephone Enrollment System, 512-493-1350, is available October 17 – November 10, Monday – Friday 8:00 a.m. – 5:00 p.m. Closed on Veteran's Day, November 11, 2011.

If you have questions about Open Enrollment contact the Employee Benefits Division at 512-974-3284.

# 2012 CITY OF AUSTIN RETIREE CONFIRMATION STATEMENT

Date: 11/30/2011

Enrollment Date/Time: 11/28/2011

SMITH, MARY  
1234 MAIN STREET  
ANYWHERE US 12345

A1B2C3D4E  
.05

## Monthly Rates:

### Medical Coverage

Medical Plan:	UNITEDHEALTHCARE CHOICE PLUS PPO 815	\$593.63
Coverage Level:	Retiree and Spouse/Domestic Partner without Medicare A & B and Family	
Covered Dependents:	JOHN SMITH; KAREN SMITH	

### Dental Coverage

Dental Plan:	DELTA DENTAL I3	\$84.20
Coverage Level:	Retiree & Family	
Covered Dependents:	JOHN SMITH; KAREN SMITH	

### Vision Coverage

Vision Plan:	DAVIS VISION PLAN V4	\$12.90
Coverage Level:	Retiree & Family/Domestic Partner & Children	
Covered Dependents:	JOHN SMITH; KAREN SMITH	

Monthly Total:	\$690.73
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The information provided above reflects benefits for you and your eligible dependents effective January 1, 2012. REVIEW THE INFORMATION CAREFULLY TO BE SURE IT IS CORRECT. The first premium deductions will be taken from the annuity check you receive in January 2012. If you do not receive a monthly check or your check is not enough to cover your premium, your first payment is due on January 1, 2012 to CompuSys/Erisa.

If this information is different from the benefits choices you made during Open Enrollment, contact the Employee Benefits Division at 512-974-3284. If you fail to contact our office by **November 30, 2011**, corrections may not be possible.

**Medical Coverage:** You may cancel medical coverage for yourself and/or your dependent(s) at any time during the calendar year.

**Dental Coverage:** You **cannot** cancel dental coverage during the calendar year unless you have obtained other dental coverage.

**Vision Coverage:** You **cannot** cancel vision coverage during the calendar year unless you have obtained other vision coverage.



# 2011 SURVIVING SPOUSE COVERAGE INFORMATION STATEMENT

Open Enrollment is October 17 - November 18, 2011

Online Enrollment: [www.coaopenenrollment.com](http://www.coaopenenrollment.com) Telephone Enrollment Number: 512-493-1350

Your Personal Identification Number (PIN) is: **12345ABCD**

JONES, ROBERT  
1234 MAIN STREET

ANYWHERE US 12345

DOB: 12/5/1966

**2012 Monthly Rates**

## Medical Coverage

Medical Plan:	UNITEDHEALTHCARE CHOICE PLUS PPO 8Y5	\$160.53
Coverage Level:	Surviving Spouse without Medicare A & B	

## Dental Coverage

Dental Plan:	DELTA DENTAL I6	\$27.33
Coverage Level:	Surviving Spouse	

## Vision Coverage

Vision Plan:	DAVIS VISION PLAN V6	\$4.36
Coverage Level:	Surviving Spouse	

Monthly Total:	<b>\$192.22</b>
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## Important Information

- If you do not wish to make any benefit changes, you do not need to participate in Open Enrollment. Your current 2011 benefits, as listed above, will automatically roll over for 2012.
- Changes made to your benefits in September or later may not be reflected. You will need to make these changes again during Open Enrollment for the change to continue in 2012.
- If you are enrolled in both Medicare A & B, verify that the Medical Coverage Level reflects your Medicare Coverage accurately. If the Medicare information is incorrect, contact the Employee Benefits Division at 512-974-3284.
- Corrections to your address can be made during Open Enrollment by using the online or telephone systems.
- To use the online or telephone system you will need your PIN located at the top of this form.
- The Online Enrollment System [www.coaopenenrollment.com](http://www.coaopenenrollment.com) is available 24/7 October 17 – November 20, 2011.
- The Telephone Enrollment System, 512-493-1350, is available October 17 – November 10, Monday – Friday 8:00 a.m. – 5:00 p.m. Closed on Veteran's Day, November 11, 2011.

If you have questions about Open Enrollment contact the Employee Benefits Division at 512-974-3284.

**Eligibility:** If you have married since enrolling in Surviving Spouse coverage, you are no longer eligible for this benefit. Contact the Employee Benefits Division at 512-974-3284.

# 2012 CITY OF AUSTIN SURVIVING SPOUSE CONFIRMATION STATEMENT

Date: 11/30/2011

Enrollment Date/Time: 11/28/2011

JONES, ROBERT  
1234 MAIN STREET  
ANYWHERE US 12345

12345ABCD  
09S3

## Monthly Rates:

### Medical Coverage

Medical Plan:	UNITEDHEALTHCARE CHOICE PLUS PPO 8Y5	\$160.53
Coverage Level:	Surviving Spouse without Medicare A & B	

### Dental Coverage

Dental Plan:	DELTA DENTAL 16	\$27.33
Coverage Level:	Surviving Spouse	

### Vision Coverage

Vision Plan:	WAIVE	\$0.00
Coverage Level:		

Monthly Total:	\$187.86
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The information provided above reflects benefits for you effective January 1, 2012. **REVIEW THE INFORMATION CAREFULLY TO BE SURE IT IS CORRECT.** The first premium deductions will be taken from the annuity check you receive in January 2012. If you do not receive a monthly check or your check is not enough to cover your premium, your first payment is due on January 1, 2012 to CompuSys/Erisa.

If this information is different from the benefits choices you made during Open Enrollment, contact the Employee Benefits Division at 512-974-3284. If you fail to contact our office by **November 30, 2011**, corrections may not be possible.

**Medical Coverage:** You may cancel medical coverage at any time during the calendar year.

**Dental Coverage:** You **cannot** cancel dental coverage during the calendar year unless you have obtained other dental coverage.

**Vision Coverage:** You **cannot** cancel vision coverage during the calendar year unless you have obtained other vision coverage.

**Eligibility:** If you have married since enrolling in Surviving Spouse coverage, you are no longer eligible for this benefit. Contact the Employee Benefits Division at 512-974-3284.

**CITY OF AUSTIN - EMPLOYEE BENEFIT PROGRAM  
ACTIVE COVERAGE EFFECTIVE ON 5/1/2012**

\* Active Employees \*

***PPO***	FT (30-40 HRS)	PT (20-29 HRS)	PT (<20 HRS)	PENSIONS	TOTAL	COVERED LIVES
EMPLOYEE ONLY	3,960	24	1	6	3,991	3,991
EMPLOYEE AND SPOUSE	612	3	0	2	617	1,233
EMPLOYEE AND CHILDREN	1,542	2	0	4	1,548	4,568
EMPLOYEE AND FAMILY	1,396	1	0	2	1,399	5,825
EMPLOYEE AND DP	93	0	0	0	93	186
EMPLOYEE AND DF	57	0	0	0	57	232
<b>TOTAL</b>	<b>7660</b>	<b>30</b>	<b>1</b>	<b>14</b>	<b>7,705</b>	<b>16,035</b>

***HMO***	FT (30-40 HRS)	PT (20-29 HRS)	PT (<20 HRS)	PENSIONS	TOTAL	COVERED LIVES
EMPLOYEE ONLY	1,365	8	0	1	1,374	1,374
EMPLOYEE AND SPOUSE	217	0	0	0	217	434
EMPLOYEE AND CHILDREN	787	1	0	4	792	2,427
EMPLOYEE AND FAMILY	873	1	0	2	876	3,703
EMPLOYEE AND DP	25	0	0	0	25	50
EMPLOYEE AND DF	28	0	0	0	28	123
<b>TOTAL</b>	<b>3295</b>	<b>10</b>	<b>0</b>	<b>7</b>	<b>3,312</b>	<b>8,111</b>

***NOT COVERED***	FT (30-40 HRS)	PT (20-29 HRS)	PT (<20 HRS)	PENSIONS	TOTAL
<b>TOTAL</b>	<b>113</b>	<b>51</b>	<b>4</b>	<b>0</b>	<b>168</b>

***VISION***	FT (30-40 HRS)	PT (20-29 HRS)	PT (<20 HRS)	PENSIONS	TOTAL	COVERED LIVES	NOT COVERED
EMPLOYEE ONLY	2,460	17	0	6	2,483	2,482	
EMPLOYEE AND SPOUSE	861	3	0	4	868	1,739	
EMPLOYEE AND CHILDREN	821	2	0	2	825	2,582	
EMPLOYEE AND FAMILY	1,161	0	0	4	1,165	5,103	
<b>TOTAL</b>	<b>5303</b>	<b>22</b>	<b>0</b>	<b>16</b>	<b>5,341</b>	<b>11,906</b>	<b>5844</b>

***LEGAL PREPAID***	FT (30-40 HRS)	PT (20-29 HRS)	PT (<20 HRS)	PENSIONS	TOTAL	COVERED LIVES	NOT COVERED
EMPLOYEE ONLY	1,954	8	0	5	1,967	1,967	
EMPLOYEE AND FAMILY	2,245	6	0	5	2,256	7,602	
<b>TOTAL</b>	<b>4,199</b>	<b>14</b>	<b>0</b>	<b>10</b>	<b>4,223</b>	<b>9569</b>	<b>6,962</b>

***DENTAL***	FT (30-40 HRS)	PT (20-29 HRS)	PT (<20 HRS)	PENSIONS	TOTAL	COVERED LIVES	NOT COVERED
EMPLOYEE ONLY	5,091	34	2	6	5,133	5,133	
EMPLOYEE AND SPOUSE	968	5	0	3	976	1,953	
EMPLOYEE AND CHILDREN	1,461	4	0	4	1,469	4,354	
EMPLOYEE AND FAMILY	3,212	3	0	8	3,223	13,465	
EMPLOYEE AND DP	111	0	0	0	111	223	
EMPLOYEE AND DF	119	0	0	0	119	506	
<b>TOTAL</b>	<b>10962</b>	<b>46</b>	<b>2</b>	<b>21</b>	<b>11,031</b>	<b>25,634</b>	<b>154</b>

DEPENDENT CARE =====> 284  
HEALTH CARE=====> 3623

**RETIREE COVERAGE EFFECTIVE ON 5/1/2012**

\* Retirees \*

\*\*\*PPO\*\*\*

TYPE OF BENEFIT		COAERS	POLICE	FIRE	SELPAY	TOTAL	COVERED LIVES
<hr/>							
PPO without Medicare							
8A UNTD	EO R<65	622	111	78	4	815	815
8C UNTD	ES R<65 S<65	158	58	79	1	296	592
8E UNTD	ES R<65 S>65	36	5	3	0	44	87
8H UNTD	EC R<65	142	28	18	0	188	483
8I UNTD	EF R<65 S<65	91	34	34	0	159	577
8J UNTD	EF R<65 S>65	4	1	1	0	6	22
8Y UNTD	EO S.S. <65	16	5	4	2	27	27
<hr/>							
		1069	242	217	7	1535	2603
<hr/>							
PPO with Medicare							
8B UNTD	EO R>65	459	26	26	2	513	513
8D UNTD	ES R>65 S>65	119	21	27	4	171	342
8F UNTD	ES R>65 S<65	51	12	12	1	76	152
8G UNTD	EC R>65	11	3	1	0	15	34
8K UNTD	EF R>65 S<65	5	2	0	1	8	31
8L UNTD	EF R>65 S>65	4	0	1	0	5	16
8Z UNTD	EO S.S. >65	27	4	9	12	52	52
<hr/>							
		676	68	76	20	840	1140
<hr/>							
* TOTAL *		1745	310	293	27	2375	3743

\*\*\*HMO\*\*\*

TYPE OF BENEFIT		COAERS	POLICE	FIRE	SELPAY	TOTAL	COVERED LIVES
-----							
HMO without Medicare							
9A UNTD	EO R<65	293	32	25	1	351	351
9C UNTD	ES R<65 S<65	75	18	18	0	111	223
9E UNTD	ES R<65 S>65	10	0	3	0	13	26
9H UNTD	EC R<65	61	11	13	0	85	232
9I UNTD	EF R<65 S<65	43	16	8	0	67	268
9J UNTD	EF R<65 S>65	2	1	0	0	3	11
9Y UNTD	EO S.S. <65	9	2	3	0	14	14
-----							
		493	80	70	1	644	1125
-----							
HMO with Medicare							
9B UNTD	EO R>65	357	28	25	3	413	413
9D UNTD	ES R>65 S>65	123	22	33	1	179	358
9F UNTD	ES R>65 S<65	35	6	8	0	49	98
9G UNTD	EC R>65	9	2	0	0	11	28
9K UNTD	EF R>65 S<65	9	0	1	0	10	35
9L UNTD	EF R>65 S>65	2	0	1	0	3	9
9Z UNTD	EO S.S. >65	45	11	14	13	83	83
-----							
		580	69	82	17	748	1024
-----							
*TOTAL*		1073	149	152	18	1392	2149



\*\*\*DENTAL\*\*\*

ASSURANT

TYPE OF BENEFIT	COAERS	POLICE	FIRE	SELPAY	TOTAL	COVERED LIVES
A1 RET ASSURANT EO	420	26	22	2	470	470
A2 RET ASSURANT E1	266	35	53	0	354	709
A3 RET ASSURANT EF	70	19	13	0	102	368
A6 RET ASSURANT S.S.	17	1	2	5	25	25
*TOTAL*	773	81	90	7	951	1572

DELTA

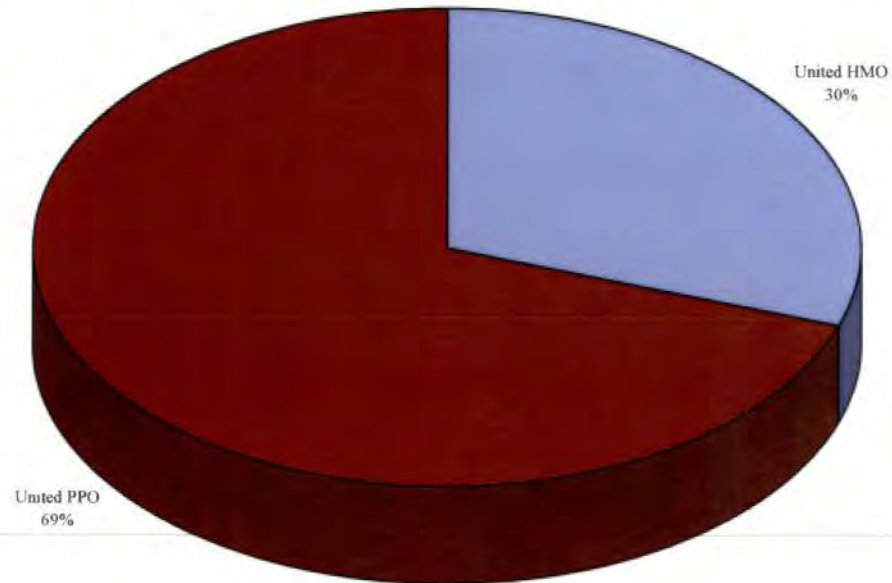
TYPE OF BENEFIT	COAERS	POLICE	FIRE	SELPAY	TOTAL	COVERED LIVES
I1 RET DELTA DENTAL EO	925	111	70	5	1111	1111
I2 RET DELTA DENTAL E1	533	116	90	6	745	1491
I3 RET DELTA DENTAL EF	186	64	41	1	292	1075
I6 RET DELTA DENTAL S.S.	40	11	7	9	67	67
*TOTAL*	1684	302	208	21	2,215	3744

\*\*\*VISION\*\*\*

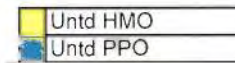
TYPE OF BENEFIT	COAERS	POLICE	FIRE	SELPAY	TOTAL	COVERED LIVES
V1 RET DAVIS EO	535	64	34	4	637	637
V2 RET DAVIS ES	308	69	55	4	436	871
V3 RET DAVIS EC	75	15	8	0	98	254
V4 RET DAVIS EF	89	22	17	0	128	128
V6 RET DAVIS S.S.	28	13	4	7	52	52
*TOTAL*	1035	183	118	15	1351	1942

Untd HMO	3276
Untd PPO	7524

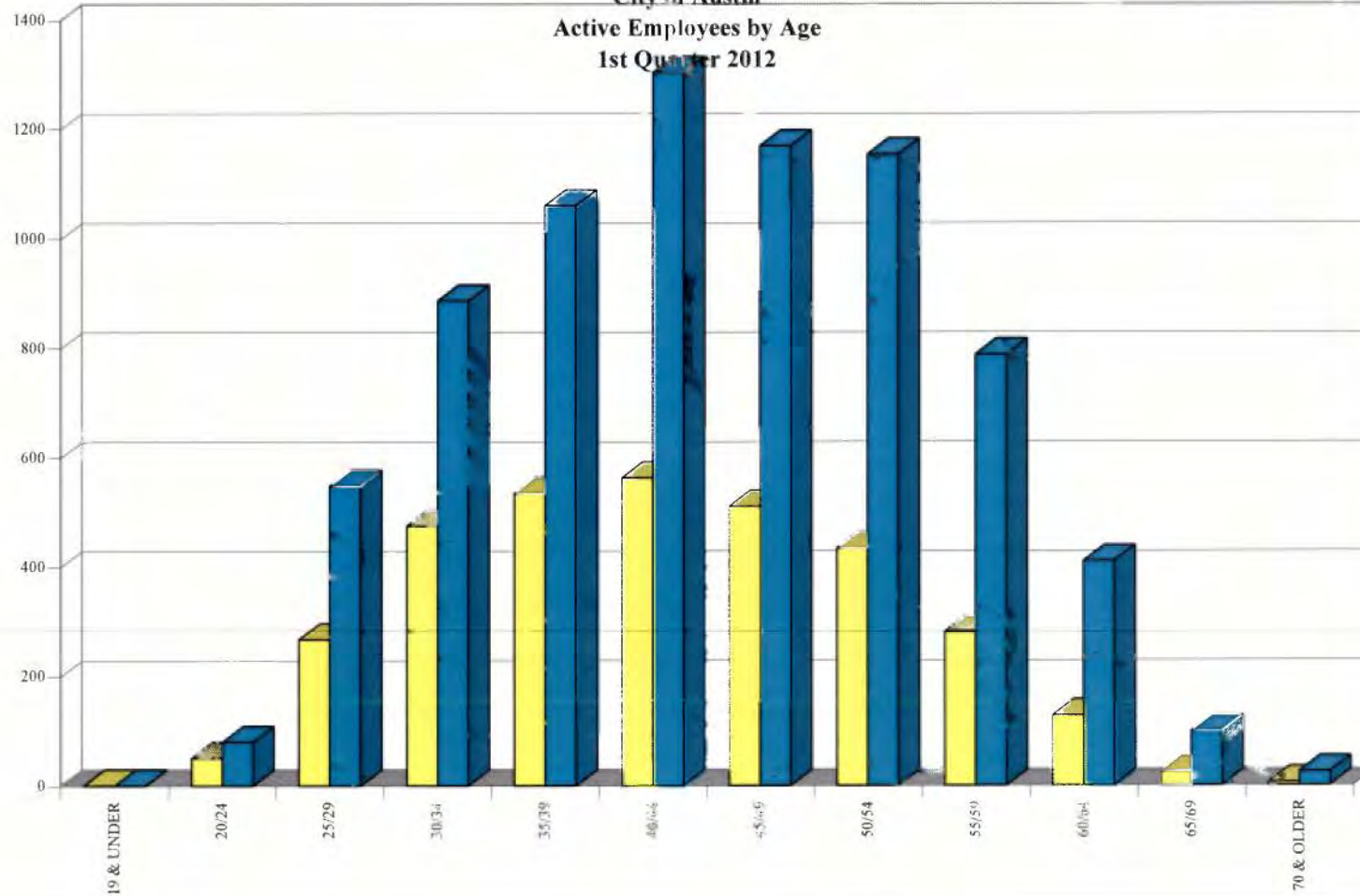
**City of Austin  
Active Employees by Plan  
1st Quarter 2012**



<b>Total</b>	<b>10800</b>
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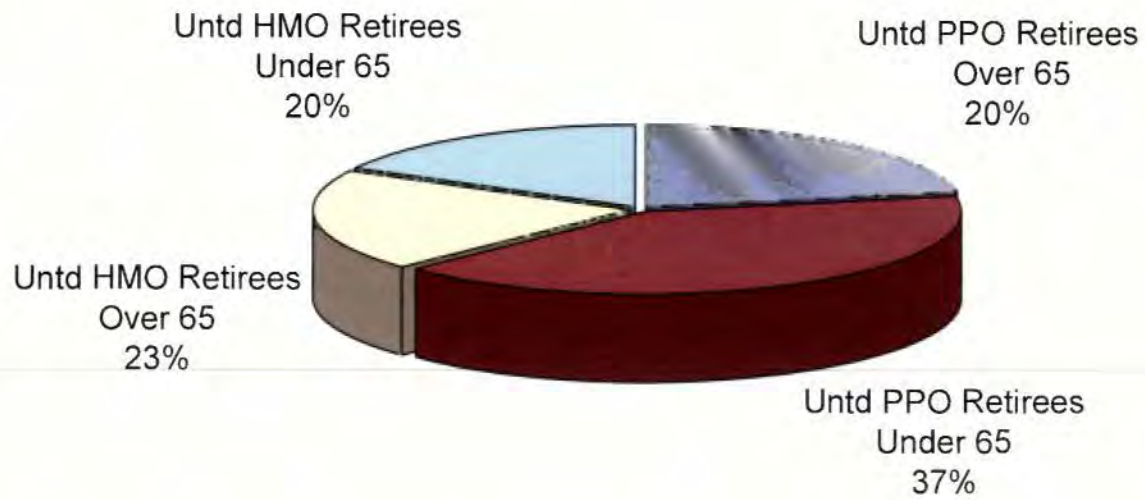


City of Austin  
Active Employees by Age  
1st Quarter 2012



Untd PPO Ret > 65	803
Untd PPO Ret < 65	1488
Untd HMO Ret > 65	728
Untd HMO Ret < 65	631

# City of Austin Retirees by Plan 1st Quarter 2012



Total	3650
-------	------

Retiree Only	538
Retiree & Spouse	238
Retiree & Children	15
Retiree & Family	12

**City of Austin  
United PPO Plan  
1st Quarter 2012  
Retirees Over 65 by Coverage**

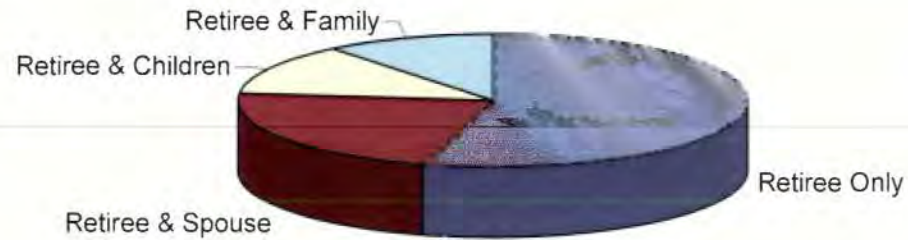


<b>Total</b>	<b>803</b>
--------------	------------



Retiree Only	809
Retiree & Spouse	331
Retiree & Children	185
Retiree & Family	163

**City of Austin  
United PPO Plan  
1st Quarter 2012  
Retirees Under 65 by Coverage**



<b>Total</b>	<b>1488</b>
--------------	-------------

Retiree Only	474
Retiree & Spouse	230
Retiree & Children	11
Retiree & Family	13

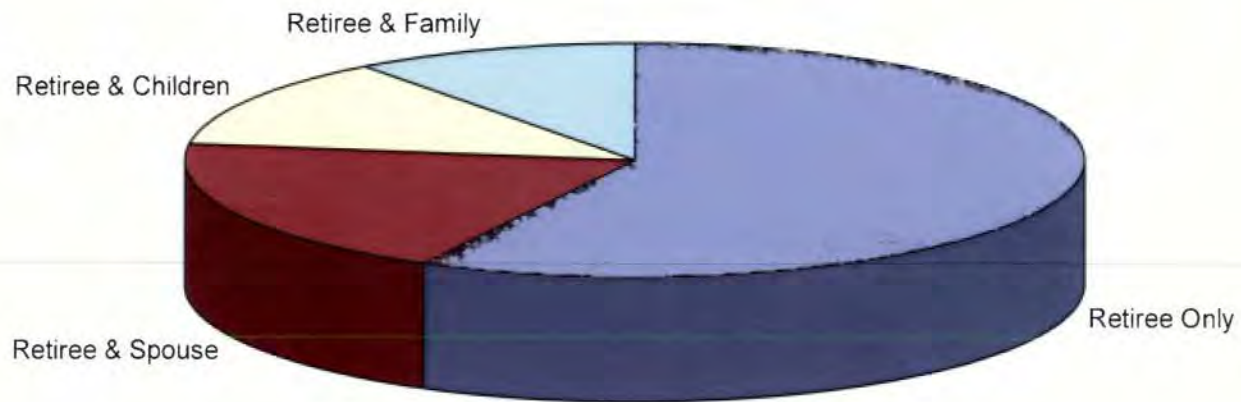
**City of Austin  
United HMO Plan  
1st Quarter 2012  
Retirees Over 65 by Coverage**



<b>Total</b>	<b>728</b>
--------------	------------

Retiree Only	364
Retiree & Spouse	123
Retiree & Children	80
Retiree & Family	64

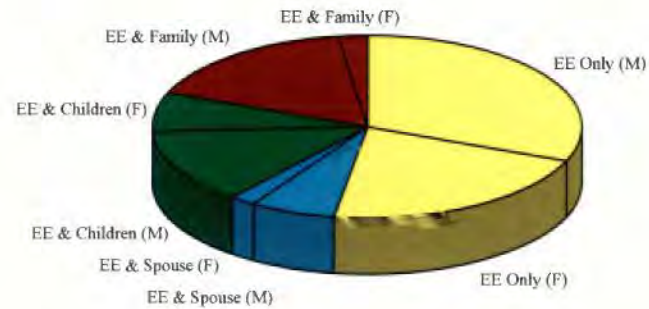
**City of Austin  
United HMO Plan  
1st Quarter 2012  
Retirees Under 65 by Coverage**



<b>Total</b>	<b>631</b>
--------------	------------

EE Only (M)	2332
EE Only (F)	1628
EE & Spouse (M)	462
EE & Spouse (F)	149
EE & Children (M)	1018
EE & Children (F)	524
EE & Family (M)	1237
EE & Family (F)	174

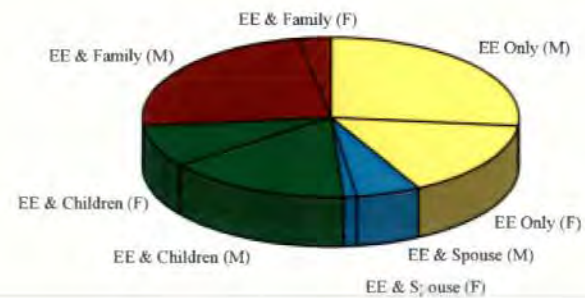
**City of Austin  
United PPO 1st Quarter 2012  
Active Employees by Coverage and Gender**



<b>Total</b>	<b>7524</b>
--------------	-------------

EE Only (M)	870
EE Only (F)	512
EE & Spouse (M)	182
EE & Spouse (F)	38
EE & Children (M)	515
EE & Children (F)	283
EE & Family (M)	788
EE & Family (F)	88

**City of Austin  
United HMO 1st Quarter 2012  
Active Employees by Coverage and Gender**

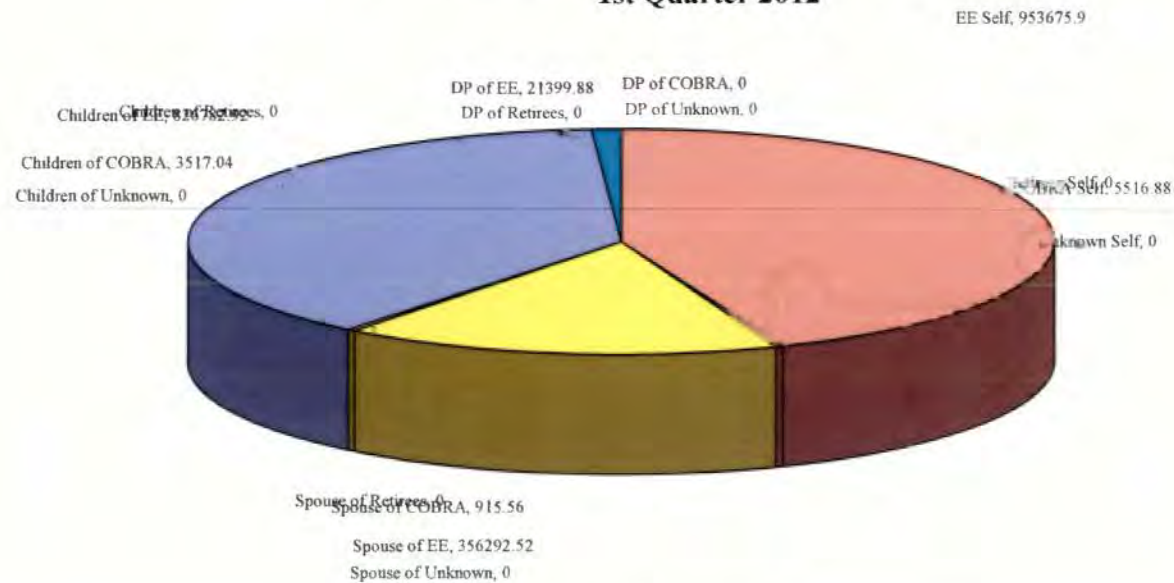


<b>Total</b>	<b>3276</b>
--------------	-------------



EE Self	\$ 953,676
Retirees Self	\$ -
COBRA Self	\$ 5,517
Unknown Self	\$ -
Spouse of EE	\$ 356,293
Spouse of Retirees	\$ -
Spouse of COBRA	\$ 916
Spouse of Unknown	\$ -
Children of EE	\$ 826,783
Children of Retirees	\$ -
Children of COBRA	\$ 3,517
Children of Unknown	\$ -
DP of EE	\$ 21,400
DP of Retirees	\$ -
DP of COBRA	\$ -
DP of Unknown	\$ -

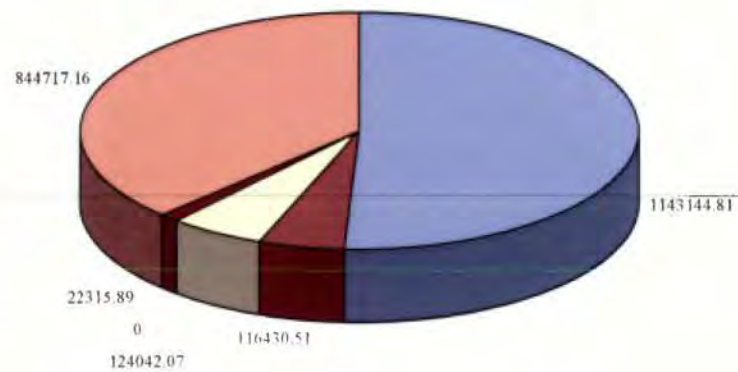
**CITY OF AUSTIN**  
**Distribution Among Self, Spouse, Children & DP**  
**1st Quarter 2012**



<b>Total</b>	<b>2,168,101</b>
--------------	------------------

Disallowed	\$1,143,145
Deductible	\$116,431
Co-insurance	\$124,042
Discount	\$0
COB Saving/Adj.	\$22,316
Over URC	\$844,717
Net Paid	\$2,168,101

**CITY OF AUSTIN**  
**COB Savings, Out-of-Pocket & Other Savings**  
**1st Quarter 2012**



Net Paid	2,168,101
----------	-----------

Employees Dental	\$2,158,151.22
Retirees Dental	\$0.00
COBRA Dental	\$9,949.48
Unknown Dental	\$0.00

City of Austin  
Distribution of Payments  
1st Quarter 2012



Total	2,168,101
-------	-----------

Standard Plan	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Year-to-Date
DENTAL	\$664,382.83	\$638,653.13	\$745,471.99										\$2,048,507.95
ORTHODONTIA	\$35,767.15	\$42,141.24	\$41,684.36										\$119,592.75
<b>Total Dental</b>	\$700,149.98	\$680,794.37	\$787,156.35										\$2,168,100.70

#### ACTIVE STANDARD PLAN

Dental	1st Qtr 2012	2nd Qtr 2012	3rd Qtr 2012	4rd Qtr 2012	Year-To-Date
DENTAL	\$2,048,507.95				\$2,048,507.95
ORTHODONTIA	\$119,592.75				\$119,592.75
<b>Total</b>	\$2,168,100.70				\$2,168,100.70

Premium Plan	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Year-to-Date
DENTAL	\$0.00	\$0.00	\$0.00										\$0.00
ORTHODONTIA	\$0.00	\$0.00	\$0.00										\$0.00
<b>Total Dental</b>	\$0.00	\$0.00	\$0.00										\$0.00

#### ACTIVE PREMIUM PLAN

Dental	1st Qtr 2012	2nd Qtr 2012	3rd Qtr 2012	4rd Qtr 2012	Year-To-Date
DENTAL	\$0.00				\$0.00
ORTHODONTIA	\$0.00				\$0.00
<b>Total</b>	\$0.00				\$0.00

Total All Claims	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Year-to-Date
DENTAL	\$664,382.83	\$638,653.13	\$745,471.99										\$2,048,507.95
ORTHODONTIA	\$35,767.15	\$42,141.24	\$41,684.36										\$119,592.75
<b>Total Dental</b>	\$700,149.98	\$680,794.37	\$787,156.35										\$2,168,100.70

#### TOTAL ALL CLAIMS

Dental	1st Qtr 2012	2nd Qtr 2012	3rd Qtr 2012	4rd Qtr 2012	Year-To-Date
DENTAL	\$2,048,507.95				\$2,048,507.95
ORTHODONTIA	\$119,592.75				\$119,592.75
<b>Total</b>	\$2,168,100.70				\$2,168,100.70

Dental	1st Quarter	2nd Quarter	3rd Quarter	4rd Quarter	Year-to-Date
Amount of Claim	\$4,418,751.14				\$4,418,751.14
Deductible	\$116,430.51				\$116,430.51
Co-payment	\$0.00				\$0.00
Co-insurance	\$124,042.07				\$124,042.07
COB	\$22,407.89				\$22,407.89
Over URC	\$844,717.16				\$844,717.16
Disallowed	\$1,143,144.81				\$1,143,144.81
Discount	\$0.00				\$0.00
Adjustment	(\$92.00)				(\$92.00)
Net Paid	\$2,168,100.70				\$2,168,100.70



	<i>1st Quarter</i>	<i>2nd Quarter</i>	<i>3rd Quarter</i>	<i>4rd Quarter</i>	<i>Year-to-Date</i>
<b>Dental</b>					
Employees	\$2,158,151.22				\$2,158,151.22
Retirees	\$0.00				\$0.00
COBRA	\$9,949.48				\$9,949.48
Unknown	\$0.00				\$0.00
<b>Total</b>	\$2,168,100.70				\$2,168,100.70

<b>DENTAL</b>	<i>1st Quarter</i>	<i>2nd Quarter</i>	<i>3rd Quarter</i>	<i>4rd Quarter</i>	<i>YEAR-TO-DATE</i>
<b>Employees</b>					
Self	\$953,675.90				\$953,675.90
Spouse	\$356,292.52				\$356,292.52
Children	\$826,782.92				\$826,782.92
DP	\$21,399.88				\$21,399.88
<b>Retirees</b>					
Self	\$0.00				\$0.00
Spouse	\$0.00				\$0.00
Children	\$0.00				\$0.00
DP	\$0.00				\$0.00
<b>COBRA</b>					
Self	\$5,516.88				\$5,516.88
Spouse	\$915.56				\$915.56
Children	\$3,517.04				\$3,517.04
DP	\$0.00				\$0.00
<b>Unknown</b>					
Self	\$0.00				\$0.00
Spouse	\$0.00				\$0.00
Children	\$0.00				\$0.00
DP	\$0.00				\$0.00
<b>All</b>					
Self	\$959,192.78				\$959,192.78
Spouse	\$357,208.08				\$357,208.08
Children	\$830,299.96				\$830,299.96
DP	\$21,399.88				\$21,399.88
<b>Total Dental</b>	\$2,168,100.70				\$2,168,100.70

# City of Austin Dental Plans

## Claim Analysis by Department

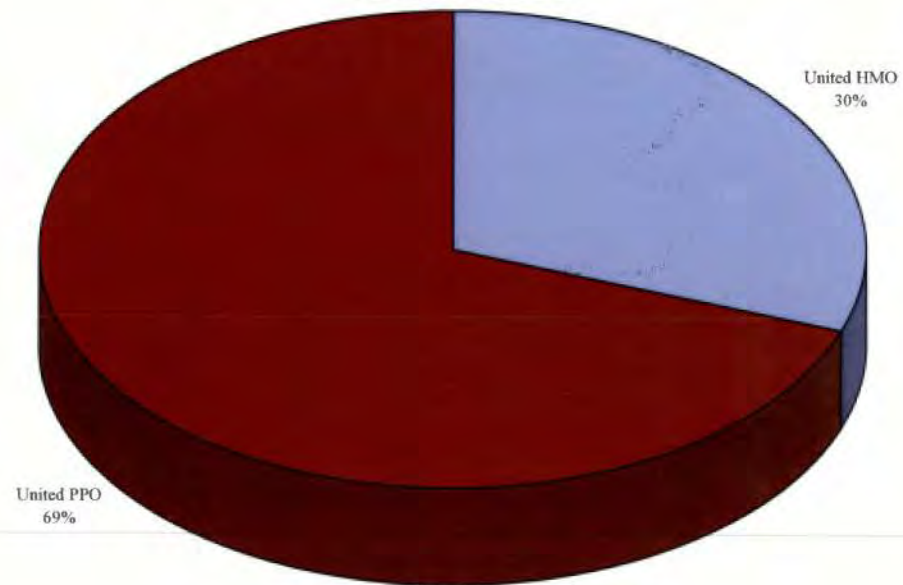
Selection criteria: Date Paid From 1/1/2012 Thru 3/31/2012

DEPARTMENT	# OF AMOUNT		STANDARD PREMIUM	AMOUNT PAID	# OF DENS/# OF		
	CLAIMS	CLAIMED	PAID	PAID	EMP	EMP	
OTHER	65	\$21,362.37	\$0.00	\$0.00	\$0.00	47	\$0.00
1 ERS Actives	21	\$8,941.82	\$2,260.25	\$0.00	\$2,260.25	7	\$322.89
6 COBRA	45	\$23,866.01	\$9,949.48	\$0.00	\$9,949.48	17	\$585.26
7 Police Retirement System - Actives	3	\$300.00	\$268.09	\$0.00	\$268.09	3	\$89.36
8 Fire Retirement System - Actives	4	\$5,030.00	\$1,925.00	\$0.00	\$1,925.00	2	\$962.50
11 Austin Energy	1,651	\$648,553.61	\$326,645.51	\$0.00	\$326,645.51	747	\$437.28
15 Austin Resource Recovery	276	\$178,398.47	\$75,123.83	\$0.00	\$75,123.83	121	\$620.86
16 Code Compliance	56	\$15,608.31	\$8,832.76	\$0.00	\$8,832.76	27	\$327.14
22 Austin Water Utility	430	\$153,736.31	\$89,401.38	\$0.00	\$89,401.38	206	\$433.99
23 Austin Water Utility	404	\$172,891.56	\$92,022.68	\$0.00	\$92,022.68	194	\$474.34
24 Transportation Department	121	\$43,324.74	\$27,131.26	\$0.00	\$27,131.26	57	\$475.99
34 Watershed Protection	223	\$74,088.42	\$39,799.10	\$0.00	\$39,799.10	108	\$368.51
41 Mayor and Council	17	\$14,095.00	\$5,713.75	\$0.00	\$5,713.75	10	\$571.38
44 Management Services	52	\$15,077.25	\$7,741.77	\$0.00	\$7,741.77	26	\$297.76
45 City Clerk	13	\$2,426.42	\$1,749.93	\$0.00	\$1,749.93	11	\$159.08
46 Municipal Court	124	\$57,472.92	\$25,388.58	\$0.00	\$25,388.58	59	\$430.31
55 Economic Development	38	\$15,103.03	\$7,836.48	\$0.00	\$7,836.48	23	\$340.72
56 Information Systems	222	\$89,257.08	\$42,217.66	\$0.00	\$42,217.66	105	\$402.07
57 Law	78	\$51,945.00	\$14,317.94	\$0.00	\$14,317.94	36	\$397.72
58 Human Resources	103	\$43,442.96	\$23,190.62	\$0.00	\$23,190.62	49	\$473.28
59 Public Information Office	14	\$6,425.00	\$3,994.70	\$0.00	\$3,994.70	9	\$443.86
60 Public Works & Transportation	358	\$142,450.57	\$77,107.60	\$0.00	\$77,107.60	166	\$464.50
69 Neighborhood Planning & Zoning	272	\$109,765.45	\$58,816.13	\$0.00	\$58,816.13	136	\$432.47
70 Fleet Services	165	\$75,861.92	\$42,409.99	\$0.00	\$42,409.99	67	\$632.98
71 Office of the City Auditor	16	\$4,074.70	\$3,095.51	\$0.00	\$3,095.51	7	\$442.22
72 Neighborhood Housing & Community	47	\$22,212.15	\$7,278.55	\$0.00	\$7,278.55	20	\$363.93
74 Financial Services	238	\$112,213.11	\$53,223.46	\$0.00	\$53,223.46	127	\$419.08
78 Wireless Communication Services	31	\$9,760.68	\$6,531.38	\$0.00	\$6,531.38	12	\$544.28
79 Small & Minority Business Rsrc	19	\$7,785.60	\$4,366.91	\$0.00	\$4,366.91	11	\$396.99
81 Aviation	209	\$81,658.93	\$47,792.77	\$0.00	\$47,792.77	113	\$422.94
83 Fire	1,462	\$544,595.12	\$267,088.34	\$0.00	\$267,088.34	565	\$472.72
85 Library	215	\$76,540.44	\$42,737.28	\$0.00	\$42,737.28	121	\$353.20
86 Parks & Recreation	357	\$144,218.23	\$76,668.36	\$0.00	\$76,668.36	175	\$438.10
87 Police	2,323	\$998,950.34	\$452,601.77	\$0.00	\$452,601.77	972	\$465.64
91 Health & Human Services	381	\$196,555.86	\$90,702.69	\$0.00	\$90,702.69	186	\$487.65
92 Convention Center	154	\$66,439.29	\$35,558.79	\$0.00	\$35,558.79	73	\$487.11
93 Emergency Medical Services	441	\$154,851.47	\$85,546.87	\$0.00	\$85,546.87	213	\$401.63
97 Office of Contract and Land	57	\$29,471.00	\$11,063.53	\$0.00	\$11,063.53	27	\$409.76
*** GRAND TOTAL ***	10,705	\$4,418,751.14	\$2,168,100.70	\$0.00	\$2,168,100.70	4,855	\$446.57



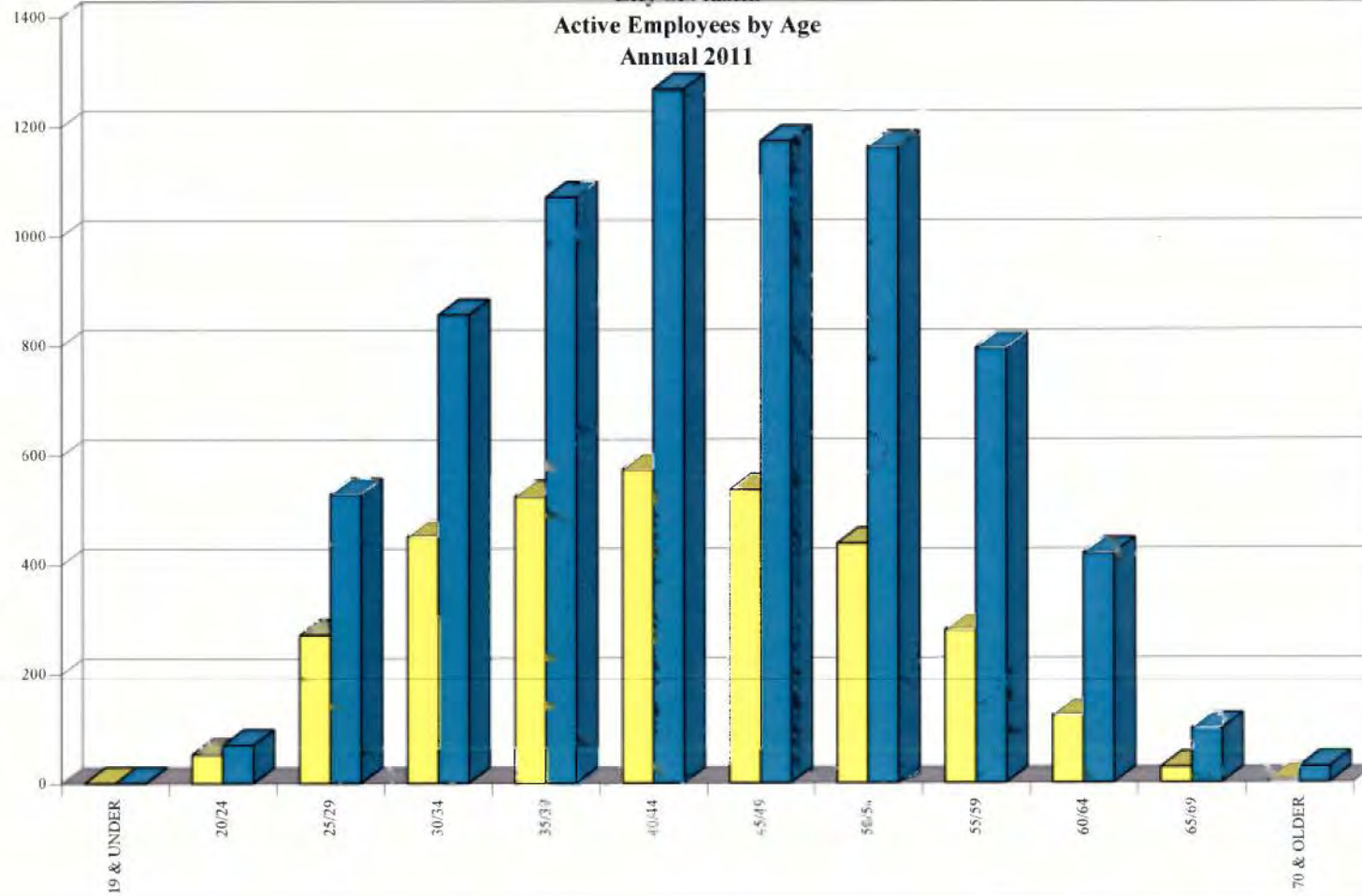
Untd HMO	3286
Untd PPO	7472

**City of Austin  
Active Employees by Plan  
Annual 2011**



<b>Total</b>	<b>10758</b>
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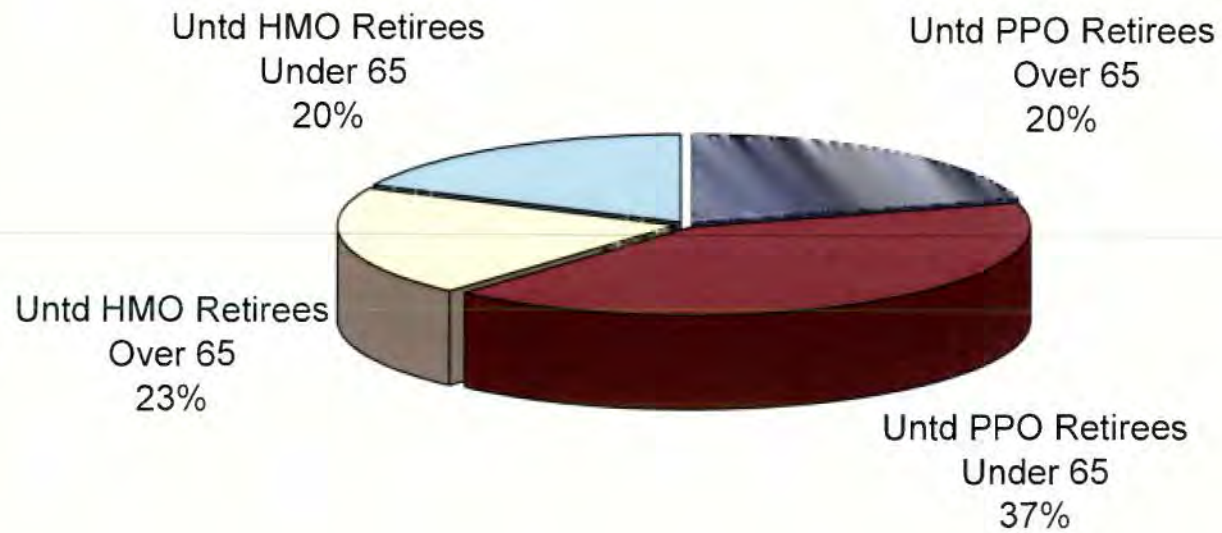
City of Austin  
Active Employees by Age  
Annual 2011





Untd PPO Ret > 65	730
Untd PPO Ret < 65	1450
Untd HMO Ret > 65	723
Untd HMO Ret < 65	634

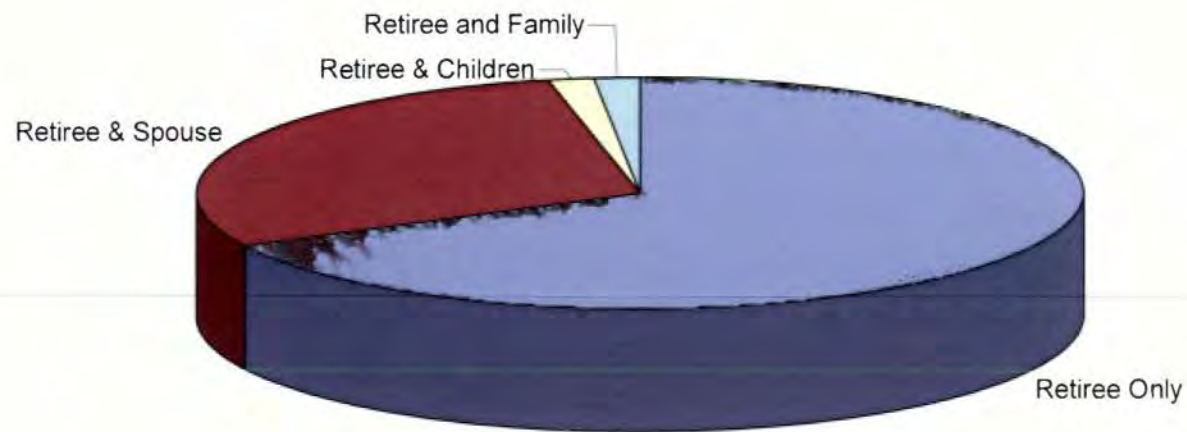
# City of Austin Retirees by Plan Annual 2011



Total	3537
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Retiree Only	493
Retiree & Spouse	213
Retiree & Children	11
Retiree & Family	13

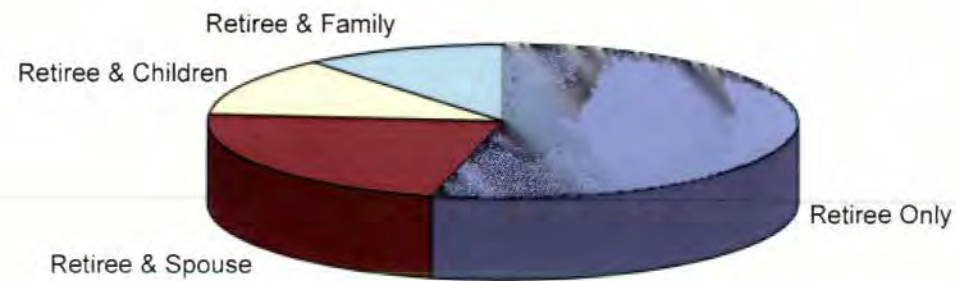
**City of Austin  
United PPO Plan  
Annual 2011  
Retirees Over 65 by Coverage**



<b>Total</b>	<b>730</b>
--------------	------------

Retiree Only	780
Retiree & Spouse	328
Retiree & Children	179
Retiree & Family	163

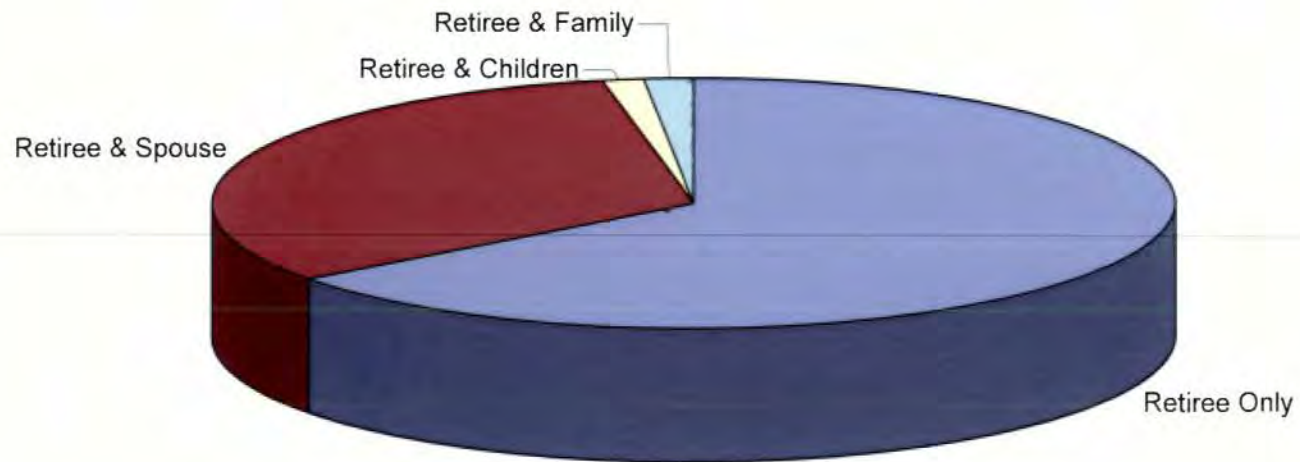
**City of Austin  
United PPO Plan  
Annual 2011  
Retirees Under 65 by Coverage**



<b>Total</b>	<b>1450</b>
--------------	-------------

Retiree Only	468
Retiree & Spouse	232
Retiree & Children	11
Retiree & Family	12

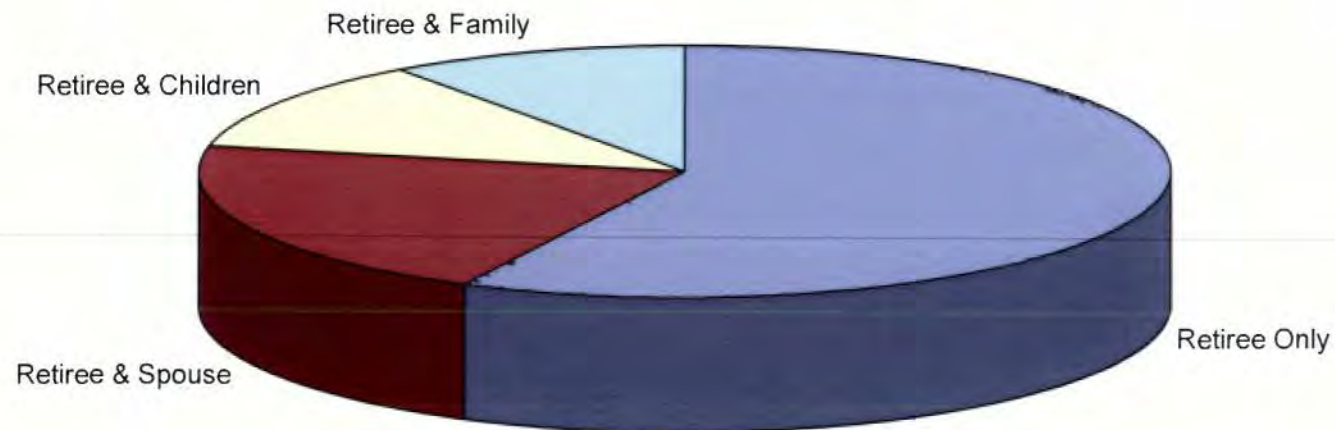
**City of Austin  
United HMO Plan  
Annual 2011  
Retirees Over 65 by Coverage**



<b>Total</b>	<b>723</b>
--------------	------------

Retiree Only	304
Retiree & Spouse	132
Retiree & Children	74
Retiree & Family	64

**City of Austin  
United HMO Plan  
Annual 2011  
Retirees Under 65 by Coverage**

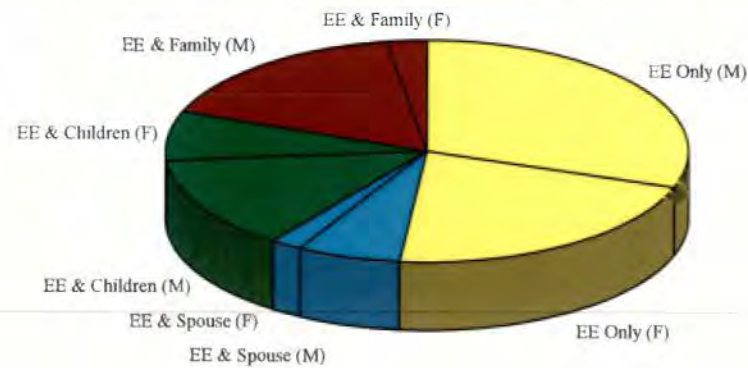


<b>Total</b>	<b>634</b>
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EE Only (M)	2263
EE Only (F)	1593
EE & Spouse (M)	473
EE & Spouse (F)	144
EE & Children (M)	1031
EE & Children (F)	546
EE & Family (M)	1245
EE & Family (F)	177

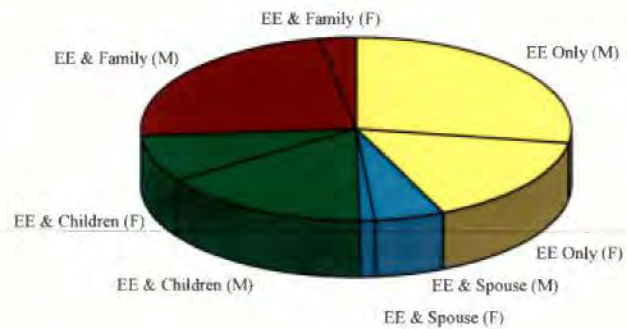
**City of Austin  
United PPO Annual 2011  
Active Employees by Coverage and Gender**



<b>Total</b>	<b>7472</b>
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EE Only (M)	906
EE Only (F)	519
EE & Spouse (M)	173
EE & Spouse (F)	40
EE & Children (M)	516
EE & Children (F)	278
EE & Family (M)	760
EE & Family (F)	94

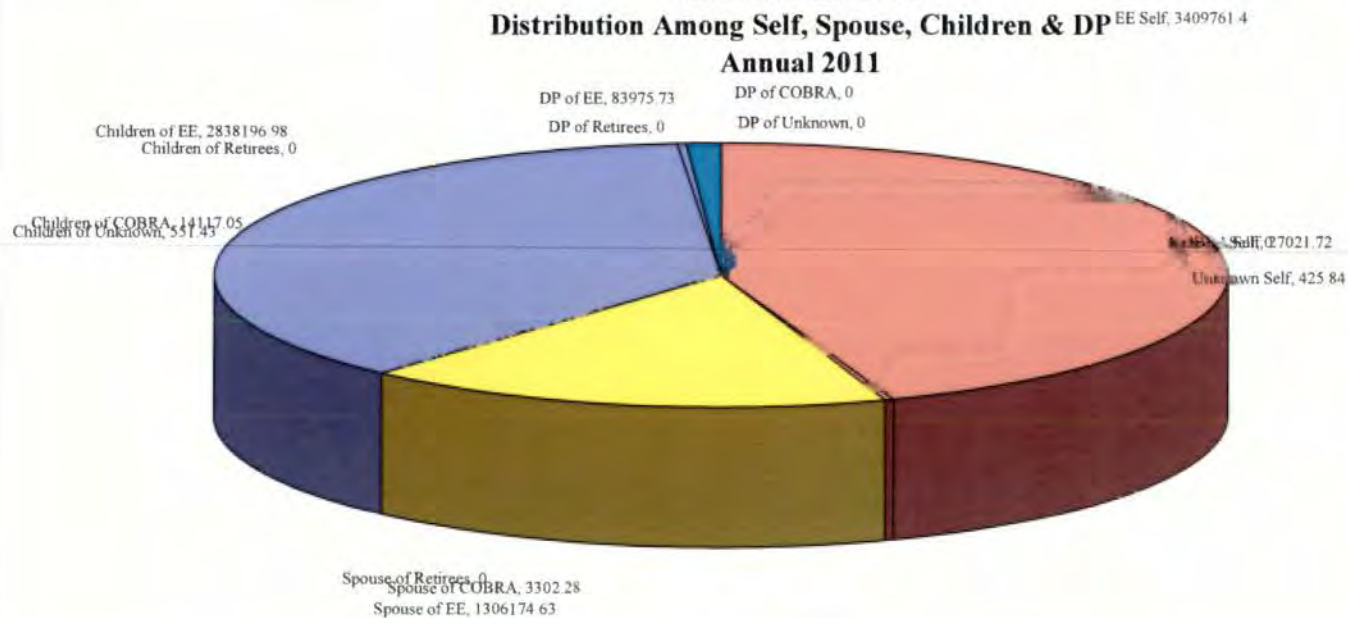
**City of Austin  
United HMO Annual 2011  
Active Employees by Coverage and Gender**



<b>Total</b>	<b>3286</b>
--------------	-------------

EE Self	\$ 3,409,761
Retirees Self	\$ -
COBRA Self	\$ 27,022
Unknown Self	\$ 426
Spouse of EE	\$ 1,306,175
Spouse of Retirees	\$ -
Spouse of COBRA	\$ 3,302
Spouse of Unknown	\$ -
Children of EE	\$ 2,838,197
Children of Retirees	\$ -
Children of COBRA	\$ 14,117
Children of Unknown	\$ 551
DP of EE	\$ 83,976
DP of Retirees	\$ -
DP of COBRA	\$ -
DP of Unknown	\$ -

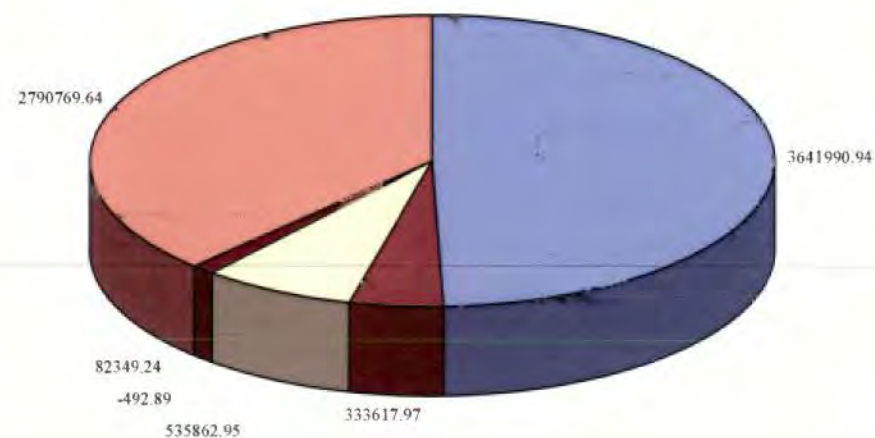
**CITY OF AUSTIN**  
**Distribution Among Self, Spouse, Children & DP**  
**Annual 2011**



<b>Total</b>	<b>7,683,527</b>
--------------	------------------

Disallowed	\$3,641,991
Deductible	\$333,618
Co-insurance	\$535,863
Discount	(\$493)
COB Saving/Adj.	\$82,349
Over URC	\$2,790,770
Net Paid	\$7,683,527

# **CITY OF AUSTIN** **COB Savings, Out-of-Pocket & Other Savings** **Annual 2011**



Net Paid	7,683,527
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Employees Dental	\$7,638,108.74
Retirees Dental	\$0.00
COBRA Dental	\$44,441.05
Unknown Dental	\$977.27

City of Austin  
Distribution of Payments  
Annual 2011



■ Employees Dental
■ Retirees Dental
□ COBRA Dental
■ Unknown Dental

Total	7,683,527
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Standard Plan	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Year-to-Date
DENTAL	\$714,526.51	\$586,581.30	\$629,707.10	\$620,079.45	\$636,044.36	\$529,189.22	\$512,179.57	\$802,829.94	\$445,752.09	\$636,966.04	\$522,176.17	\$528,029.37	\$7,164,061.12
ORTHODONTIA	\$38,872.81	\$37,550.89	\$52,228.20	\$50,804.92	\$56,137.04	\$35,911.64	\$38,790.79	\$59,265.39	\$36,780.44	\$40,840.28	\$35,337.95	\$36,945.59	\$519,465.94
<b>Total Dental</b>	\$753,399.32	\$624,132.19	\$681,935.30	\$670,884.37	\$692,181.40	\$565,100.86	\$550,970.36	\$862,095.33	\$482,532.53	\$677,806.32	\$557,514.12	\$564,974.96	\$7,683,527.06

#### ACTIVE STANDARD PLAN

Dental	1st Qtr 2011	2nd Qtr 2011	3rd Qtr 2011	4rd Qtr 2011	Year-To-Date
DENTAL	\$1,930,814.91	\$1,785,313.03	\$1,760,761.60	\$1,687,171.58	\$7,164,061.12
ORTHODONTIA	\$128,651.90	\$142,853.60	\$134,836.62	\$113,123.82	\$519,465.94
<b>Total</b>	\$2,059,466.81	\$1,928,166.63	\$1,895,598.22	\$1,800,295.40	\$7,683,527.06

Premium Plan	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Year-to-Date
DENTAL	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ORTHODONTIA	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total Dental</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

#### ACTIVE PREMIUM PLAN

Dental	1st Qtr 2011	2nd Qtr 2011	3rd Qtr 2011	4rd Qtr 2011	Year-To-Date
DENTAL	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ORTHODONTIA	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Total All Claims	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Year-to-Date
DENTAL	\$714,526.51	\$586,581.30	\$629,707.10	\$620,079.45	\$636,044.36	\$529,189.22	\$512,179.57	\$802,829.94	\$445,752.09	\$636,966.04	\$522,176.17	\$528,029.37	\$7,164,061.12
ORTHODONTIA	\$38,872.81	\$37,550.89	\$52,228.20	\$50,804.92	\$56,137.04	\$35,911.64	\$38,790.79	\$59,265.39	\$36,780.44	\$40,840.28	\$35,337.95	\$36,945.59	\$519,465.94
<b>Total Dental</b>	\$753,399.32	\$624,132.19	\$681,935.30	\$670,884.37	\$692,181.40	\$565,100.86	\$550,970.36	\$862,095.33	\$482,532.53	\$677,806.32	\$557,514.12	\$564,974.96	\$7,683,527.06

#### TOTAL ALL CLAIMS

Dental	1st Qtr 2011	2nd Qtr 2011	3rd Qtr 2011	4rd Qtr 2011	Year-To-Date
DENTAL	\$1,930,814.91	\$1,785,313.03	\$1,760,761.60	\$1,687,171.58	\$7,164,061.12
ORTHODONTIA	\$128,651.90	\$142,853.60	\$134,836.62	\$113,123.82	\$519,465.94
<b>Total</b>	\$2,059,466.81	\$1,928,166.63	\$1,895,598.22	\$1,800,295.40	\$7,683,527.06

Dental	1st Quarter	2nd Quarter	3rd Quarter	4rd Quarter	Year-to-Date
Amount of Claim	\$4,028,940.96	\$3,752,078.14	\$3,774,012.39	\$3,512,540.50	\$15,067,571.99
Deductible	\$112,663.20	\$84,132.95	\$74,093.95	\$62,727.87	\$333,617.97
Co-payment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Co-insurance	\$130,729.57	\$145,635.59	\$140,806.90	\$118,690.89	\$535,862.95
COB	\$18,707.25	\$19,070.55	\$21,400.29	\$23,171.15	\$82,349.24
Over URC	\$772,016.57	\$692,497.44	\$657,089.88	\$669,165.75	\$2,790,769.64
Disallowed	\$935,410.47	\$883,921.98	\$984,248.16	\$838,410.33	\$3,641,990.94
Discount	\$0.00	(\$572.00)	\$0.00	\$79.11	(\$492.89)
Adjustment	(\$52.91)	(\$775.00)	\$774.99	\$0.00	(\$52.92)
Net Paid	\$2,059,466.81	\$1,928,166.63	\$1,895,598.22	\$1,800,295.40	\$7,683,527.06

	<i>1st Quarter</i>	<i>2nd Quarter</i>	<i>3rd Quarter</i>	<i>4rd Quarter</i>	<i>Year-to-Date</i>
<b>Dental</b>					
Employees	\$2,044,438.51	\$1,920,207.19	\$1,881,301.02	\$1,792,162.02	\$7,638,108.74
Retirees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
COBRA	\$14,525.37	\$7,718.49	\$14,297.20	\$7,899.99	\$44,441.05
Unknown	\$502.93	\$240.95	\$0.00	\$233.39	\$977.27
<b>Total</b>	\$2,059,466.81	\$1,928,166.63	\$1,895,598.22	\$1,800,295.40	\$7,683,527.06



<b>DENTAL</b>	<i>1st Quarter</i>	<i>2nd Quarter</i>	<i>3rd Quarter</i>	<i>4rd Quarter</i>	<i>YEAR-TO-DATE</i>
<b>Employees</b>					
Self	\$905,688.67	\$878,882.39	\$768,658.31	\$856,532.03	\$3,409,761.40
Spouse	\$356,967.68	\$307,742.10	\$314,438.54	\$327,026.31	\$1,306,174.63
Children	\$761,036.52	\$706,908.96	\$783,379.18	\$586,872.32	\$2,838,196.98
DP	\$20,745.64	\$26,673.74	\$14,824.99	\$21,731.36	\$83,975.73
<b>Retirees</b>					
Self	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Spouse	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Children	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>COBRA</b>					
Self	\$10,317.42	\$4,352.60	\$7,013.54	\$5,338.16	\$27,021.72
Spouse	\$1,593.50	\$656.15	\$1,052.63	\$0.00	\$3,302.28
Children	\$2,614.45	\$2,709.74	\$6,231.03	\$2,561.83	\$14,117.05
DP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Unknown</b>					
Self	\$0.00	\$192.45	\$0.00	\$233.39	\$425.84
Spouse	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Children	\$502.93	\$48.50	\$0.00	\$0.00	\$551.43
DP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>All</b>					
Self	\$916,006.09	\$883,427.44	\$775,671.85	\$862,103.58	\$3,437,208.96
Spouse	\$358,561.18	\$308,398.25	\$315,491.17	\$327,026.31	\$1,309,476.91
Children	\$764,153.90	\$709,667.20	\$789,610.21	\$589,434.15	\$2,852,865.46
DP	\$20,745.64	\$26,673.74	\$14,824.99	\$21,731.36	\$83,975.73
<b>Total Dental</b>	\$2,059,466.81	\$1,928,166.63	\$1,895,598.22	\$1,800,295.40	\$7,683,527.06

# City of Austin Dental Plans

## Claim Analysis by Department

Selection criteria: Date Paid From 1/1/2011 Thru 12/31/2011

DEPARTMENT	# OF AMOUNT		STANDARD PREMIUM	AMOUNT PAID	# OF DENS/# OF		
	CLAIMS CLAIMED		PAID PAID		EMP	EMP	
OTHER	278	\$111,547.19	\$2,474.01	\$0.00	\$2,474.01	161	\$15.37
1 ERS Actives	76	\$27,350.61	\$12,381.72	\$0.00	\$12,381.72	12	\$1,031.81
6 COBRA	191	\$93,324.94	\$44,441.05	\$0.00	\$44,441.05	54	\$822.98
7 Police Retirement System - Actives	19	\$2,892.00	\$2,594.25	\$0.00	\$2,594.25	5	\$518.85
8 Fire Retirement System - Actives	11	\$6,142.00	\$3,431.30	\$0.00	\$3,431.30	2	\$1,715.65
11 Austin Energy	5,960	\$2,270,566.82	\$1,161,731.18	\$0.00	\$1,161,731.18	1,188	\$977.89
15 Austin Resource Recovery	904	\$356,833.46	\$186,891.40	\$0.00	\$186,891.40	205	\$911.67
16 Code Compliance	238	\$87,918.87	\$46,281.45	\$0.00	\$46,281.45	50	\$925.63
22 Austin Water Utility	1,806	\$699,217.87	\$352,744.88	\$0.00	\$352,744.88	345	\$1,022.45
23 Austin Water Utility	1,495	\$526,947.81	\$296,385.68	\$0.00	\$296,385.68	325	\$911.96
24 Transportation Department	440	\$167,599.02	\$89,560.79	\$0.00	\$89,560.79	96	\$932.92
34 Watershed Protection	968	\$351,935.86	\$182,715.48	\$0.00	\$182,715.48	186	\$982.34
41 Mayor and Council	100	\$40,070.60	\$18,557.90	\$0.00	\$18,557.90	22	\$843.54
42 Governmental Relations	7	\$2,051.00	\$1,494.37	\$0.00	\$1,494.37	2	\$747.19
44 Management Services	196	\$88,521.12	\$37,172.12	\$0.00	\$37,172.12	46	\$808.09
45 City Clerk	57	\$22,152.07	\$10,934.30	\$0.00	\$10,934.30	15	\$728.95
46 Municipal Court	417	\$201,971.78	\$96,855.82	\$0.00	\$96,855.82	113	\$857.13
55 Economic Development	137	\$36,439.89	\$23,668.46	\$0.00	\$23,668.46	37	\$639.69
56 Information Systems	833	\$309,310.36	\$154,828.83	\$0.00	\$154,828.83	178	\$869.82
57 Law	292	\$105,281.52	\$58,355.89	\$0.00	\$58,355.89	64	\$911.81
58 Human Resources	337	\$118,953.20	\$66,956.71	\$0.00	\$66,956.71	78	\$858.42
59 Public Information Office	67	\$26,304.00	\$15,873.83	\$0.00	\$15,873.83	19	\$835.46
60 Public Works & Transportation	1,300	\$509,746.57	\$281,447.35	\$0.00	\$281,447.35	293	\$960.57
67 Public Works & Transportation	0	\$0.00	\$0.00	\$0.00	\$0.00	1	\$0.00
69 Neighborhood Planning & Zoning	1,009	\$400,239.70	\$200,081.21	\$0.00	\$200,081.21	228	\$877.55
70 Fleet Services	534	\$250,501.92	\$121,152.14	\$0.00	\$121,152.14	111	\$1,091.46
71 Office of the City Auditor	64	\$27,053.20	\$14,015.73	\$0.00	\$14,015.73	16	\$875.98
72 Neighborhood Housing & Community	165	\$54,726.91	\$29,554.36	\$0.00	\$29,554.36	34	\$869.25
74 Financial Services	997	\$384,513.40	\$202,467.77	\$0.00	\$202,467.77	220	\$920.31
78 Wireless Communication Services	98	\$33,622.03	\$18,914.18	\$0.00	\$18,914.18	22	\$859.74
79 Small & Minority Business Rsrc	91	\$28,412.17	\$16,721.94	\$0.00	\$16,721.94	20	\$836.10
81 Aviation	841	\$308,845.06	\$179,176.57	\$0.00	\$179,176.57	209	\$857.30
83 Fire	5,162	\$1,951,815.55	\$932,265.56	\$0.00	\$932,265.56	848	\$1,099.37
85 Library	987	\$326,255.26	\$190,221.83	\$0.00	\$190,221.83	241	\$789.30
86 Parks & Recreation	1,265	\$473,841.49	\$262,921.44	\$0.00	\$262,921.44	303	\$867.73
87 Police	8,365	\$3,168,717.85	\$1,578,193.71	\$0.00	\$1,578,193.71	1,603	\$984.53
91 Health & Human Services	1,483	\$580,493.01	\$314,167.10	\$0.00	\$314,167.10	360	\$872.69
92 Convention Center	552	\$213,107.53	\$114,566.67	\$0.00	\$114,566.67	125	\$916.53
93 Emergency Medical Services	1,492	\$592,469.09	\$310,047.15	\$0.00	\$310,047.15	334	\$928.28
95 Community Care Services	0	\$0.00	\$0.00	\$0.00	\$0.00	1	\$0.00
97 Office of Contract and Land	246	\$109,879.26	\$51,280.93	\$0.00	\$51,280.93	53	\$967.56
*** GRAND TOTAL ***	39,480	\$15,067,571.99	\$7,683,527.06	\$0.00	\$7,683,527.06	8,225	\$934.17



## **Ad Hoc Reporting**

### **Dental Reports**

1. Transition of Department 95 to Travis County  
Prior to this transition, report generated to identify the employees and their dependents in active orthodontia treatment. The report included:
  - Employee Name/ID number
  - Patient Name
  - Date treatment began
  - YTD benefits paid
  - Lifetime orthodontia benefits paid
2. Frequency and amount billed for selected ADA codes by provider  
Report generated to review the amount and frequency billed of specific ADA codes submitted per provider. This report included:
  - ADA code
  - Amount billed
  - Provider's tax ID number
  - Provider's zip code

### **Enrollment Reports**

1. Medical Plan Census  
Report generated to provide the medical plan and coverage level for each employee on the 15<sup>th</sup> of the month for comparison to medical carrier's report. This report included:
  - Employee ID number
  - Plan code
  - Coverage code
2. Dependents age 25 and older enrolled in pre-paid legal plan  
Report generated to identify dependent children, grandchildren and children of domestic partners currently enrolled in the pre-paid legal plan that are 25 or older and will turn 25 in the next plan year. This report included:
  - Employee Name/ID number
  - Dependent Name/Relationship/Date of Birth

### **Youth Camp Scholarship Program Report**

Report generated to identify dependent children age five to twelve, eligible for scholarships at participating Parks and Recreation Centers. This report included:

- Employee Name/ID Number
- Dependent Name
- Dependent Date of Birth

REQUEST FOR PROPOSAL NO. JSD0124  
CITY OF AUSTIN PURCHASING OFFICE  
BENEFIT PLANS ADMINISTRATION  
BAFO Cost Sheet #3

Please provide your Best and Final Proposed Fees for administration services listed below.

Para. #	Requested Service	2013	2014	2015	2016	2017	2018	2019
4.0	<u>Eligibility Administration</u>							
	Employee Eligibility Monthly Fee per Enrolled Employee	2.07	2.07	2.07	2.11	2.11	2.11	2.11
	Retiree Eligibility Monthly Fee per Enrolled Retiree	2.25	2.25	2.25	2.3	2.3	2.3	2.3
5.0	<u>COBRA, Continuation of Coverage for Domestic Partners (CCDP), and Self-Pay Administration</u>							
	COBRA and CCDP Administration Monthly Fee per Enrolled Participant	\$6.36	\$6.36	\$6.36	\$6.49	\$6.49	\$6.49	\$6.49
	COBRA and CCDP Qualifying Event Letters Fee per letter	\$7.80	\$7.80	\$7.80	\$7.96	\$7.96	\$7.96	\$7.96
	Self-Pay Administration Monthly Fee per Enrolled Participant	\$2.25	\$2.25	\$2.25	\$2.30	\$2.30	\$2.30	\$2.30
6.0	<u>Self-Funded Dental Plan Claims Administration</u>							
	Dental Claims Administration Monthly Fee per Enrolled Employee	\$2.94	\$2.94	\$2.94	\$3.00	\$3.00	\$3.00	\$3.00
7.0	<u>Flexible Benefits Claims Administration</u>							
	FLEXTRA Health Care Claims Administration Monthly Fee per Enrolled Employee	\$2.75	\$2.75	\$2.75	\$2.83	\$2.83	\$2.83	\$2.83
	FLEXTRA Health Care Debit/Credit Card Monthly Fee per Enrolled Employee	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
	FLEXTRA Dependent Care Claims Administration Monthly Fee per Enrolled Employee	\$2.75	\$2.75	\$2.75	\$2.83	\$2.83	\$2.83	\$2.83
	Childcare Assistance Program Claims Administration Monthly Fee per Enrolled Employee	\$3.00	\$3.00	\$3.00	\$3.02	\$3.02	\$3.02	\$3.02

1. The Contractor must provide either fee guarantees or fee caps (fees with a maximum percentage increase) for each extension option.
2. The Contractor must guarantee fees regardless of enrollment per plan year.
3. All required services included in this solicitation must be included in the quoted fee to the City unless otherwise noted and must be inclusive of labor, materials, supplies, printing, travel, and all costs and fees including administrative burden for providing these services.
4. All fees must be firm regardless of the Contractor receiving any or all services including any services referred to but not yet implemented.
5. Contractors have the option to non-renew on an annual basis. Notice of non-renewal must be sent to the City by March 15th.

CompuSys/Ensa Group, Inc.  
Corporate Name of Proposer

  
Authorized Signature

7/27/12  
Date

Transition Meeting Worksheet Clarification/Negotiation Planner
August 30, 2012
Benefits Plan Administrative Services
COMPUSYS/ERISA GROUP, INC.
#23076 – Anne Forsey

Transition Team Members	Contact Info
Contract Administrator:	Anne Forsey 974-2034
Buyer	Jeff Dilbert 974-2021
HR Department	Gail Ray 974-3409
HR Department	Jodie Tatum 974-3453

Proposer Team Members	Contact Info
Sandy Thomas, VP	512-250-9397 Ext 3016 sthomas@cserisa.com

<b>Timeline</b>
Transition Meeting: August 30, 2012
Clarification Meeting:
Council, if applicable:

<p><b>The City's Fundamental Needs (considering overall buying strategy, future purchases, budget situation, strategic opportunities, etc.)</b>  This vendor has been providing these services to the City for nearly twenty years. Vendor developed the Eligibility Administration technology for the City. The City does not have the capability to perform Eligibility Administration in-house.</p>
--

<p><b>Other Available Options to Meet the City's Needs (including make/buy, pricing alternatives, specification options, etc.)</b> All options explored. This was an RFP with multiple vendors evaluated.</p>
---

<b>Develop clarification topics to discuss with Department and Vendor</b>
City's Opening Statement or Theme: This will be a short form contract with clarifications on the pricing.
Questions to Ask to Clarify Proposal/Quote: All questions have been asked and answered.
<b>Performance Requirements:</b> They were set forth in the RFP, and proposer did not take any exceptions to them.
<b>Acceptance Criteria:</b> They were set forth in the RFP, and proposer did not take any exceptions to them.

<b>Payment Method:</b> Set forth in the RFP, and proposer did not take any exceptions to them.
<b>Warranty:</b> Standard services language.
<b>Maintenance:</b> N/A
<b>Risk mitigation (The amount of contract risk and ways to control it.):</b> Performance Measures contain liquidated damages. Proposer agreed to the LDs.

<b>Establish priorities and potential tradeoffs or concessions.</b>
Minimum requirements as indicated by the RFP? What does City have to have? Proposer agreed to everything in the RFP.
Additions by proposal that City does not want to purchase? N/A
Items not included in proposal that City would like? Other proposals? How much willing to pay for these? N/A

Negotiable We Give N/A	Negotiable We Get N/A

<b>Identify the Offeror's probable approach to issues presented</b>	
Anticipated Issues: None	Possible Solutions/Approaches: N/A
<b>What pressures and constraints will affect the offeror's or City's approach to the issues?</b> This is the only vendor who could provide all four components and the only one who could provide Eligibility Administration which is a data base developed by this vendor for the City. To bring the process in-house would cost millions and take an unknown amount of time.	
<b>Have there been any contract negotiations with this vendor? Outcome?</b> Yes, there were multiple clarifications with all proposers with final BAFOs.	

<b>Bargaining strengths and weaknesses of the two parties.</b>
<b>Competition from other vendors.</b> None of the other vendors could provide the Eligibility Administration component of the RFP. It would cost the City several million dollars to develop the capability in-house and would take an unknown amount of time.

**Knowledge of the offeror and the market.** This vendor has been providing these services to the City for nearly 20 years. None of the other offers could provide all four components required by the RFP, and it was most cost effective to award all four components to this vendor as a bundle rather than carve out the components and make multiple awards.

**Time available to complete the process.** This needs to be done prior to open enrollment in October.



June 22, 2012

Sandra B. Thomas, Vice President  
CompuSys/Erisa Group, Inc.  
13706 Research Blvd. Suite 308  
Austin, TX 78750  
[stthomas@cserisa.com](mailto:stthomas@cserisa.com)

Dear Ms. Thomas:

The City of Austin has reviewed CompuSys/Erisa Group, Inc.'s proposal response to solicitation JSD0124 for Benefit Plans Administration.

The City would like CompuSys/Erisa Group, Inc. to confirm all four administrative services are proposed on a stand alone basis.

Please provide your response to the above question by 10am on Wednesday, June 27, 2012 by email at [Jeffrey.Dilbert@austintexas.gov](mailto:Jeffrey.Dilbert@austintexas.gov).

Sincerely,

Jeff Dilbert  
Corporate Purchasing Manager  
City of Austin

June 25, 2012  
City of Austin  
Corporate Purchasing  
[Jeffrey.Dilbert@austintexas.gov](mailto:Jeffrey.Dilbert@austintexas.gov)

Dear Mr. Dilbert:

The structure of solicitation JSD0124 was in four stand-alone components. Our response to each administrative service was based on that structure. However, the pricing was based on the totality of the four components (i.e. as a package).

Please contact me if you have additional questions.

Regards,

Sandy Thomas  
Vice President  
CompuSys/Erisa Group, Inc.  
[sthomas@cserisa.com](mailto:sthomas@cserisa.com)

**CITY OF AUSTIN, TEXAS**  
Purchasing Office  
**REQUEST FOR PROPOSAL (RFP)**  
**Offer Sheet**

**SOLICITATION NO:** JSD0124

**COMMODITY/SERVICE DESCRIPTION:** Benefit Plan Administration

**DATE ISSUED:** 4/23/2012

**REQUISITION NO.:** RQM580012040400294

**PRE-PROPOSAL CONFERENCE TIME AND DATE:** 5/2/2012 at 2:00p.m.

**COMMODITY CODE:** 95348

**LOCATION:** One Texas Center: 505 Barton Springs Road - 6th floor - HR Main Conference Room

**FOR CONTRACTUAL AND TECHNICAL ISSUES CONTACT:**

Jeff Dilbert  
Corporate Purchasing Manager  
Phone: (512) 974-2021

**PROPOSAL DUE PRIOR TO:** 2:00p.m. on 5/30/2012

**COMPLIANCE PLAN DUE PRIOR TO:** N/A

**PROPOSAL CLOSING TIME AND DATE:** 2:00p.m. on 5/30/2012

**LOCATION:** MUNICIPAL BUILDING, 124 W 8<sup>th</sup> STREET  
RM 310, AUSTIN, TEXAS 78701

When submitting a sealed Offer and/or Compliance Plan, use the proper address for the type of service desired, as shown below.

P.O. Address for US Mail	Street Address for Hand Delivery or Courier Service
City of Austin	City of Austin, Purchasing Office
Purchasing Office	Municipal Building
P.O. Box 1088	124 W 8 <sup>th</sup> Street, Rm 310
Austin, Texas 78767-8845	Austin, Texas 78701
	Reception Phone: (512) 974-2500

Offers (including Compliance Plans) that are not submitted in a sealed envelope or container will not be considered.

**SUBMIT ONE (1) ORIGINAL, SEVEN (7) SIGNED COPIES AND ONE (1) ELECTRONIC VERSION OF PROPOSAL**

OFFER SUBMITTED BY \_\_\_\_\_

Signature of Person Authorized to Sign Offer \_\_\_\_\_

Signer's Name and Title: (please print or type) \_\_\_\_\_

**FEDERAL TAX ID NO.** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Company Name:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**City, State, Zip Code** \_\_\_\_\_

**Phone No. (     )** \_\_\_\_\_

**Fax No. (     )** \_\_\_\_\_

**Email Address:** \_\_\_\_\_

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All other Sections may be viewed at: [http://www.austintexas.gov/financeonline/vendor\\_connection/index.cfm](http://www.austintexas.gov/financeonline/vendor_connection/index.cfm)

### **RETURN THE FOLLOWING DOCUMENTS WITH YOUR OFFER\*\***

- Cover Page                      Offer Sheet
- Section 0600 - 0640          Proposal
- Section 0700                   Reference Sheet (if required)
- Sections 0800 - 0835        Certifications and Affidavits (return all applicable Sections)
- Section 0900                  MBE/WBE Procurement Program Package or No Goals Utilization Plan
- Proposal Guaranty            (if required)

**\*\* See also Section 0200, Solicitation Instructions, Section 0400, Supplemental Purchase Provisions, and Section 0500, Scope of Work/Specification, for additional documents that must be submitted with the Offer.**

The Vendor agrees, if this Offer is accepted within 90 calendar days after the Due Date, to fully comply in strict accordance with the Solicitation, specifications and provisions attached thereto for the amounts shown on the accompanying Offer.

**\* INCORPORATION OF DOCUMENTS.** Section 0100, Standard Purchase Definitions; Section 0200, Standard Solicitation Instructions; and Section 0300, Standard Purchase Terms and Conditions are hereby incorporated into this Solicitation by reference, with the same force and effect as if they were incorporated in full text. The full text versions of these Sections are available, on the Internet at the following online address [http://www.austintexas.gov/financeonline/vendor\\_connection/index.cfm#STANDARDBIDDOCUMENTS](http://www.austintexas.gov/financeonline/vendor_connection/index.cfm#STANDARDBIDDOCUMENTS).

If you do not have access to the Internet, you may obtain a copy of these Sections from the City of Austin Purchasing Office at the address or phone number indicated on page 1 of this Offer Sheet. Please have the Solicitation number available so that the staff can select the proper documents. These documents can be mailed, expressed mailed, or faxed to you.

***It is the policy of the City of Austin to involve certified Minority Owned Business Enterprises (MBEs) and Woman Owned Business Enterprises (WBEs) in City contracting. MBE and WBE goals for this Solicitation are contained in Section 0900.***

***All Contractors and Subcontractors should be registered to do business with the City prior to submitting a response to a City Solicitation. In the case of Joint Ventures, each individual business in the joint venture should be registered with the City prior to submitting a response to a City solicitation. If the Joint Venture is awarded a contract, the Joint Venture must register to do business with the City. Prime Contractors are responsible for ensuring that their Subcontractors are registered. Registration can be done through the City's on-line vendor registration system. Log onto [http://www.austintexas.gov/financeonline/vendor\\_connection/index.cfm](http://www.austintexas.gov/financeonline/vendor_connection/index.cfm) and follow the directions.***

**CITY OF AUSTIN  
PURCHASING OFFICE  
STANDARD PURCHASE TERMS AND CONDITIONS**

By submitting an Offer in response to the Solicitation, the Contractor agrees that the Contract shall be governed by the following terms and conditions. Unless otherwise specified in the Contract, Sections 3, 4, 5, 6, 7, 8, 20, 21, and 36 shall apply only to a Solicitation to purchase Goods, and Sections 9, 10, 11 and 22 shall apply only to a Solicitation to purchase Services to be performed principally at the City's premises or on public rights-of-way.

1. **CONTRACTOR'S OBLIGATIONS**. The Contractor shall fully and timely provide all Deliverables described in the Solicitation and in the Contractor's Offer in strict accordance with the terms, covenants, and conditions of the Contract and all applicable Federal, State, and local laws, rules, and regulations.
2. **EFFECTIVE DATE/TERM**. Unless otherwise specified in the Solicitation, this Contract shall be effective as of the date the contract is signed by the City, and shall continue in effect until all obligations are performed in accordance with the Contract.
3. **CONTRACTOR TO PACKAGE DELIVERABLES**: The Contractor will package Deliverables in accordance with good commercial practice and shall include a packing list showing the description of each item, the quantity and unit price. Unless otherwise provided in the Specifications or Supplemental Terms and Conditions, each shipping container shall be clearly and permanently marked as follows: (a) The Contractor's name and address, (b) the City's name, address and purchase order or purchase release number and the price agreement number if applicable, (c) Container number and total number of containers, e.g. box 1 of 4 boxes, and (d) the number of the container bearing the packing list. The Contractor shall bear cost of packaging. Deliverables shall be suitably packed to secure lowest transportation costs and to conform with requirements of common carriers and any applicable specifications. The City's count or weight shall be final and conclusive on shipments not accompanied by packing lists.
4. **SHIPMENT UNDER RESERVATION PROHIBITED**: The Contractor is not authorized to ship the Deliverables under reservation and no tender of a bill of lading will operate as a tender of Deliverables.
5. **TITLE & RISK OF LOSS**: Title to and risk of loss of the Deliverables shall pass to the City only when the City actually receives and accepts the Deliverables.
6. **DELIVERY TERMS AND TRANSPORTATION CHARGES**: Deliverables shall be shipped F.O.B. point of delivery unless otherwise specified in the Supplemental Terms and Conditions. Unless otherwise stated in the Offer, the Contractor's price shall be deemed to include all delivery and transportation charges. The City shall have the right to designate what method of transportation shall be used to ship the Deliverables. The place of delivery shall be that set forth in the block of the purchase order or purchase release entitled "Receiving Agency".
7. **RIGHT OF INSPECTION AND REJECTION**: The City expressly reserves all rights under law, including, but not limited to the Uniform Commercial Code, to inspect the Deliverables at delivery before accepting them, and to reject defective or non-conforming Deliverables. If the City has the right to inspect the Contractor's, or the Contractor's Subcontractor's, facilities, or the Deliverables at the Contractor's, or the Contractor's Subcontractor's, premises, the Contractor shall furnish, or cause to be furnished, without additional charge, all reasonable facilities and assistance to the City to facilitate such inspection.
8. **NO REPLACEMENT OF DEFECTIVE TENDER**: Every tender or delivery of Deliverables must fully comply with all provisions of the Contract as to time of delivery, quality, and quantity. Any non-complying tender shall constitute a breach and the Contractor shall not have the right to substitute a conforming tender; provided, where the time for performance has not yet expired, the Contractor may notify the City of the intention to cure and may then make a conforming tender within the time allotted in the contract.
9. **PLACE AND CONDITION OF WORK**: The City shall provide the Contractor access to the sites where the Contractor is to perform the services as required in order for the Contractor to perform the services in a timely and efficient manner, in accordance with and subject to the applicable security laws, rules, and regulations. The Contractor acknowledges that it has satisfied itself as to the nature of the City's service requirements and specifications, the location and essential characteristics of the work sites, the quality and quantity of materials, equipment, labor and facilities necessary to perform the services, and any other condition or state of fact which could in any way affect performance of the Contractor's obligations under the contract. The Contractor hereby



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releases and holds the City harmless from and against any liability or claim for damages of any kind or nature if the actual site or service conditions differ from expected conditions.

**10. WORKFORCE**

- A. The Contractor shall employ only orderly and competent workers, skilled in the performance of the services which they will perform under the Contract.
- B. The Contractor, its employees, subcontractors, and subcontractor's employees may not while engaged in participating or responding to a solicitation or while in the course and scope of delivering goods or services under a City of Austin contract or on the City's property .
  - i. use or possess a firearm, including a concealed handgun that is licensed under state law, except as required by the terms of the contract; or
  - ii. use or possess alcoholic or other intoxicating beverages, illegal drugs or controlled substances, nor may such workers be intoxicated, or under the influence of alcohol or drugs, on the job.
- C. If the City or the City's representative notifies the Contractor that any worker is incompetent, disorderly or disobedient, has knowingly or repeatedly violated safety regulations, has possessed any firearms, or has possessed or was under the influence of alcohol or drugs on the job, the Contractor shall immediately remove such worker from Contract services, and may not employ such worker again on Contract services without the City's prior written consent.

- 11. COMPLIANCE WITH HEALTH, SAFETY, AND ENVIRONMENTAL REGULATIONS:** The Contractor, its Subcontractors, and their respective employees, shall comply fully with all applicable federal, state, and local health, safety, and environmental laws, ordinances, rules and regulations in the performance of the services, including but not limited to those promulgated by the City and by the Occupational Safety and Health Administration (OSHA). In case of conflict, the most stringent safety requirement shall govern. The Contractor shall indemnify and hold the City harmless from and against all claims, demands, suits, actions, judgments, fines, penalties and liability of every kind arising from the breach of the Contractor's obligations under this paragraph.

**12. INVOICES:**

- A. The Contractor shall submit separate invoices in duplicate on each purchase order or purchase release after each delivery. If partial shipments or deliveries are authorized by the City, a separate invoice must be sent for each shipment or delivery made.
- B. **Proper Invoices must include a unique invoice number, the purchase order or delivery order number and the master agreement number if applicable, the Department's Name, and the name of the point of contact for the Department.** Invoices shall be itemized and transportation charges, if any, shall be listed separately. A copy of the bill of lading and the freight waybill, when applicable, shall be attached to the invoice. The Contractor's name and, if applicable, the tax identification number on the invoice must exactly match the information in the Vendor's registration with the City. Unless otherwise instructed in writing, the City may rely on the remittance address specified on the Contractor's invoice.
- C. Invoices for labor shall include a copy of all time-sheets with trade labor rate and Deliverables order number clearly identified. Invoices shall also include a tabulation of work-hours at the appropriate rates and grouped by work order number. Time billed for labor shall be limited to hours actually worked at the work site.
- D. Unless otherwise expressly authorized in the Contract, the Contractor shall pass through all Subcontract and other authorized expenses at actual cost without markup.
- E. Federal excise taxes, State taxes, or City sales taxes must not be included in the invoiced amount. The City will furnish a tax exemption certificate upon request.

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**13. PAYMENT:**

- A. All proper invoices received by the City will be paid within thirty (30) calendar days of the City's receipt of the Deliverables or of the invoice, whichever is later.
- B. **If payment is not timely made, (per paragraph A), interest shall accrue on the unpaid balance at the lesser of the rate specified in Texas Government Code Section 2251.025 or the maximum lawful rate; except, if payment is not timely made for a reason for which the City may withhold payment hereunder, interest shall not accrue until ten (10) calendar days after the grounds for withholding payment have been resolved.**
- C. If partial shipments or deliveries are authorized by the City, the Contractor will be paid for the partial shipment or delivery, as stated above, provided that the invoice matches the shipment or delivery.
- D. The City may withhold or set off the entire payment or part of any payment otherwise due the Contractor to such extent as may be necessary on account of:
  - i. delivery of defective or non-conforming Deliverables by the Contractor;
  - ii. third party claims, which are not covered by the insurance which the Contractor is required to provide, are filed or reasonable evidence indicating probable filing of such claims;
  - iii. failure of the Contractor to pay Subcontractors, or for labor, materials or equipment;
  - iv. damage to the property of the City or the City's agents, employees or contractors, which is not covered by insurance required to be provided by the Contractor;
  - v. reasonable evidence that the Contractor's obligations will not be completed within the time specified in the Contract, and that the unpaid balance would not be adequate to cover actual or liquidated damages for the anticipated delay;
  - vi. failure of the Contractor to submit proper invoices with all required attachments and supporting documentation; or
  - vii. failure of the Contractor to comply with any material provision of the Contract Documents.
- E. Notice is hereby given of Article VIII, Section 1 of the Austin City Charter which prohibits the payment of any money to any person, firm or corporation who is in arrears to the City for taxes, and of §2-8-3 of the Austin City Code concerning the right of the City to offset indebtedness owed the City.
- F. Payment will be made by check unless the parties mutually agree to payment by credit card or electronic transfer of funds. The Contractor agrees that there shall be no additional charges, surcharges, or penalties to the City for payments made by credit card or electronic funds transfer.
- G. The awarding or continuation of this contract is dependent upon the availability of funding. The City's payment obligations are payable only and solely from funds Appropriated and available for this contract. The absence of Appropriated or other lawfully available funds shall render the Contract null and void to the extent funds are not Appropriated or available and any Deliverables delivered but unpaid shall be returned to the Contractor. The City shall provide the Contractor written notice of the failure of the City to make an adequate Appropriation for any fiscal year to pay the amounts due under the Contract, or the reduction of any Appropriation to an amount insufficient to permit the City to pay its obligations under the Contract. In the event of non or inadequate appropriation of funds, there will be no penalty nor removal fees charged to the City.

- 14. TRAVEL EXPENSES:** All travel, lodging and per diem expenses in connection with the Contract for which reimbursement may be claimed by the Contractor under the terms of the Solicitation will be reviewed against the City's Travel Policy as published and maintained by the City's Controller's Office and the Current United States General Services Administration Domestic Per Diem Rates (the "Rates") as published and maintained on the Internet at:

<http://www.gsa.gov/portal/category/21287>

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No amounts in excess of the Travel Policy or Rates shall be paid. All invoices must be accompanied by copies of detailed itemized receipts (e.g. hotel bills, airline tickets). No reimbursement will be made for expenses not actually incurred. Airline fares in excess of coach or economy will not be reimbursed. Mileage charges may not exceed the amount permitted as a deduction in any year under the Internal Revenue Code or Regulations.

**15. FINAL PAYMENT AND CLOSE-OUT:**

- A. If an MBE/WBE Program Compliance Plan is required by the Solicitation, and the Contractor has identified Subcontractors, the Contractor is required to submit a Contract Close-Out MBE/WBE Compliance Report to the Project manager or Contract manager no later than the 15th calendar day after completion of all work under the contract. Final payment, retainage, or both may be withheld if the Contractor is not in compliance with the requirements of the Compliance Plan as accepted by the City.
- B. The making and acceptance of final payment will constitute:
  - i. a waiver of all claims by the City against the Contractor, except claims (1) which have been previously asserted in writing and not yet settled, (2) arising from defective work appearing after final inspection, (3) arising from failure of the Contractor to comply with the Contract or the terms of any warranty specified herein, (4) arising from the Contractor's continuing obligations under the Contract, including but not limited to indemnity and warranty obligations, or (5) arising under the City's right to audit; and
  - ii. a waiver of all claims by the Contractor against the City other than those previously asserted in writing and not yet settled.

**16. SPECIAL TOOLS & TEST EQUIPMENT:** If the price stated on the Offer includes the cost of any special tooling or special test equipment fabricated or required by the Contractor for the purpose of filling this order, such special tooling equipment and any process sheets related thereto shall become the property of the City and shall be identified by the Contractor as such.

**17. RIGHT TO AUDIT:**

- A. The Contractor agrees that the representatives of the Office of the City Auditor or other authorized representatives of the City shall have access to, and the right to audit, examine, or reproduce, any and all records of the Contractor related to the performance under this Contract. The Contractor shall retain all such records for a period of three (3) years after final payment on this Contract or until all audit and litigation matters that the City has brought to the attention of the Contractor are resolved, whichever is longer. The Contractor agrees to refund to the City any overpayments disclosed by any such audit.
- B. The Contractor shall include section a. above in all subcontractor agreements entered into in connection with this Contract.

**18. SUBCONTRACTORS:**

- A. If the Contractor identified Subcontractors in an MBE/WBE Program Compliance Plan or a No Goals Utilization Plan the Contractor shall comply with the provisions of Chapters 2-9A, 2-9B, 2-9C, and 2-9D, as applicable, of the Austin City Code and the terms of the Compliance Plan or Utilization Plan as approved by the City (the "Plan"). The Contractor shall not initially employ any Subcontractor except as provided in the Contractor's Plan. The Contractor shall not substitute any Subcontractor identified in the Plan, unless the substitute has been accepted by the City in writing in accordance with the provisions of Chapters 2-9A, 2-9B, 2-9C and 2-9D, as applicable. No acceptance by the City of any Subcontractor shall constitute a waiver of any rights or remedies of the City with respect to defective Deliverables provided by a Subcontractor. If a Plan has been approved, the Contractor is additionally required to submit a monthly Subcontract Awards and Expenditures Report to the Contract Manager and the Purchasing Office Contract Compliance Manager no later than the tenth calendar day of each month.

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- B. Work performed for the Contractor by a Subcontractor shall be pursuant to a written contract between the Contractor and Subcontractor. The terms of the subcontract may not conflict with the terms of the Contract, and shall contain provisions that:
- i. require that all Deliverables to be provided by the Subcontractor be provided in strict accordance with the provisions, specifications and terms of the Contract;
  - ii. prohibit the Subcontractor from further subcontracting any portion of the Contract without the prior written consent of the City and the Contractor. The City may require, as a condition to such further subcontracting, that the Subcontractor post a payment bond in form, substance and amount acceptable to the City;
  - iii. require Subcontractors to submit all invoices and applications for payments, including any claims for additional payments, damages or otherwise, to the Contractor in sufficient time to enable the Contractor to include same with its invoice or application for payment to the City in accordance with the terms of the Contract;
  - iv. require that all Subcontractors obtain and maintain, throughout the term of their contract, insurance in the type and amounts specified for the Contractor, with the City being a named insured as its interest shall appear; and
  - v. require that the Subcontractor indemnify and hold the City harmless to the same extent as the Contractor is required to indemnify the City.
- C. The Contractor shall be fully responsible to the City for all acts and omissions of the Subcontractors just as the Contractor is responsible for the Contractor's own acts and omissions. Nothing in the Contract shall create for the benefit of any such Subcontractor any contractual relationship between the City and any such Subcontractor, nor shall it create any obligation on the part of the City to pay or to see to the payment of any moneys due any such Subcontractor except as may otherwise be required by law.
- D. The Contractor shall pay each Subcontractor its appropriate share of payments made to the Contractor not later than ten (10) calendar days after receipt of payment from the City.

19. **WARRANTY-PRICE:**

- A. The Contractor warrants the prices quoted in the Offer are no higher than the Contractor's current prices on orders by others for like Deliverables under similar terms of purchase.
- B. The Contractor certifies that the prices in the Offer have been arrived at independently without consultation, communication, or agreement for the purpose of restricting competition, as to any matter relating to such fees with any other firm or with any competitor.
- C. In addition to any other remedy available, the City may deduct from any amounts owed to the Contractor, or otherwise recover, any amounts paid for items in excess of the Contractor's current prices on orders by others for like Deliverables under similar terms of purchase.

20. **WARRANTY – TITLE:** The Contractor warrants that it has good and indefeasible title to all Deliverables furnished under the Contract, and that the Deliverables are free and clear of all liens, claims, security interests and encumbrances. The Contractor shall indemnify and hold the City harmless from and against all adverse title claims to the Deliverables.

21. **WARRANTY – DELIVERABLES:** The Contractor warrants and represents that all Deliverables sold the City under the Contract shall be free from defects in design, workmanship or manufacture, and conform in all material respects to the specifications, drawings, and descriptions in the Solicitation, to any samples furnished by the Contractor, to the terms, covenants and conditions of the Contract, and to all applicable State, Federal or local laws, rules, and regulations, and industry codes and standards. Unless otherwise stated in the Solicitation, the Deliverables shall be new or recycled merchandise, and not used or reconditioned.

- A. Recycled Deliverables shall be clearly identified as such.

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- B. The Contractor may not limit, exclude or disclaim the foregoing warranty or any warranty implied by law; and any attempt to do so shall be without force or effect.
  - C. Unless otherwise specified in the Contract, the warranty period shall be at least one year from the date of acceptance of the Deliverables or from the date of acceptance of any replacement Deliverables. If during the warranty period, one or more of the above warranties are breached, the Contractor shall promptly upon receipt of demand either repair the non-conforming Deliverables, or replace the non-conforming Deliverables with fully conforming Deliverables, at the City's option and at no additional cost to the City. All costs incidental to such repair or replacement, including but not limited to, any packaging and shipping costs, shall be borne exclusively by the Contractor. The City shall endeavor to give the Contractor written notice of the breach of warranty within thirty (30) calendar days of discovery of the breach of warranty, but failure to give timely notice shall not impair the City's rights under this section.
  - D. If the Contractor is unable or unwilling to repair or replace defective or non-conforming Deliverables as required by the City, then in addition to any other available remedy, the City may reduce the quantity of Deliverables it may be required to purchase under the Contract from the Contractor, and purchase conforming Deliverables from other sources. In such event, the Contractor shall pay to the City upon demand the increased cost, if any, incurred by the City to procure such Deliverables from another source.
  - E. If the Contractor is not the manufacturer, and the Deliverables are covered by a separate manufacturer's warranty, the Contractor shall transfer and assign such manufacturer's warranty to the City. If for any reason the manufacturer's warranty cannot be fully transferred to the City, the Contractor shall assist and cooperate with the City to the fullest extent to enforce such manufacturer's warranty for the benefit of the City.
22. **WARRANTY – SERVICES:** The Contractor warrants and represents that all services to be provided the City under the Contract will be fully and timely performed in a good and workmanlike manner in accordance with generally accepted industry standards and practices, the terms, conditions, and covenants of the Contract, and all applicable Federal, State and local laws, rules or regulations.
- A. The Contractor may not limit, exclude or disclaim the foregoing warranty or any warranty implied by law, and any attempt to do so shall be without force or effect.
  - B. Unless otherwise specified in the Contract, the warranty period shall be at least one year from the Acceptance Date. If during the warranty period, one or more of the above warranties are breached, the Contractor shall promptly upon receipt of demand perform the services again in accordance with above standard at no additional cost to the City. All costs incidental to such additional performance shall be borne by the Contractor. The City shall endeavor to give the Contractor written notice of the breach of warranty within thirty (30) calendar days of discovery of the breach warranty, but failure to give timely notice shall not impair the City's rights under this section.
  - C. If the Contractor is unable or unwilling to perform its services in accordance with the above standard as required by the City, then in addition to any other available remedy, the City may reduce the amount of services it may be required to purchase under the Contract from the Contractor, and purchase conforming services from other sources. In such event, the Contractor shall pay to the City upon demand the increased cost, if any, incurred by the City to procure such services from another source.
23. **ACCEPTANCE OF INCOMPLETE OR NON-CONFORMING DELIVERABLES:** If, instead of requiring immediate correction or removal and replacement of defective or non-conforming Deliverables, the City prefers to accept it, the City may do so. The Contractor shall pay all claims, costs, losses and damages attributable to the City's evaluation of and determination to accept such defective or non-conforming Deliverables. If any such acceptance occurs prior to final payment, the City may deduct such amounts as are necessary to compensate the City for the diminished value of the defective or non-conforming Deliverables. If the acceptance occurs after final payment, such amount will be refunded to the City by the Contractor.
24. **RIGHT TO ASSURANCE:** Whenever one party to the Contract in good faith has reason to question the other party's intent to perform, demand may be made to the other party for written assurance of the intent to perform. In the event



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that no assurance is given within the time specified after demand is made, the demanding party may treat this failure as an anticipatory repudiation of the Contract.

25. **STOP WORK NOTICE:** The City may issue an immediate Stop Work Notice in the event the Contractor is observed performing in a manner that is in violation of Federal, State, or local guidelines, or in a manner that is determined by the City to be unsafe to either life or property. Upon notification, the Contractor will cease all work until notified by the City that the violation or unsafe condition has been corrected. The Contractor shall be liable for all costs incurred by the City as a result of the issuance of such Stop Work Notice.
26. **DEFAULT:** The Contractor shall be in default under the Contract if the Contractor (a) fails to fully, timely and faithfully perform any of its material obligations under the Contract, (b) fails to provide adequate assurance of performance under Paragraph 24, (c) becomes insolvent or seeks relief under the bankruptcy laws of the United States or (d) makes a material misrepresentation in Contractor's Offer, or in any report or deliverable required to be submitted by the Contractor to the City.
27. **TERMINATION FOR CAUSE:** In the event of a default by the Contractor, the City shall have the right to terminate the Contract for cause, by written notice effective ten (10) calendar days, unless otherwise specified, after the date of such notice, unless the Contractor, within such ten (10) day period, cures such default, or provides evidence sufficient to prove to the City's reasonable satisfaction that such default does not, in fact, exist. The City may place Contractor on probation for a specified period of time within which the Contractor must correct any non-compliance issues. Probation shall not normally be for a period of more than nine (9) months, however, it may be for a longer period, not to exceed one (1) year depending on the circumstances. If the City determines the Contractor has failed to perform satisfactorily during the probation period, the City may proceed with suspension. In the event of a default by the Contractor, the City may suspend or debar the Contractor in accordance with the "City of Austin Purchasing Office Probation, Suspension and Debarment Rules for Vendors" and remove the Contractor from the City's vendor list for up to five (5) years and any Offer submitted by the Contractor may be disqualified for up to five (5) years. In addition to any other remedy available under law or in equity, the City shall be entitled to recover all actual damages, costs, losses and expenses, incurred by the City as a result of the Contractor's default, including, without limitation, cost of cover, reasonable attorneys' fees, court costs, and prejudgment and post-judgment interest at the maximum lawful rate. All rights and remedies under the Contract are cumulative and are not exclusive of any other right or remedy provided by law.
28. **TERMINATION WITHOUT CAUSE:** The City shall have the right to terminate the Contract, in whole or in part, without cause any time upon thirty (30) calendar days' prior written notice. Upon receipt of a notice of termination, the Contractor shall promptly cease all further work pursuant to the Contract, with such exceptions, if any, specified in the notice of termination. The City shall pay the Contractor, to the extent of funds Appropriated or otherwise legally available for such purposes, for all goods delivered and services performed and obligations incurred prior to the date of termination in accordance with the terms hereof.
29. **FRAUD:** Fraudulent statements by the Contractor on any Offer or in any report or deliverable required to be submitted by the Contractor to the City shall be grounds for the termination of the Contract for cause by the City and may result in legal action.
30. **DELAYS:**
- A. The City may delay scheduled delivery or other due dates by written notice to the Contractor if the City deems it is in its best interest. If such delay causes an increase in the cost of the work under the Contract, the City and the Contractor shall negotiate an equitable adjustment for costs incurred by the Contractor in the Contract price and execute an amendment to the Contract. The Contractor must assert its right to an adjustment within thirty (30) calendar days from the date of receipt of the notice of delay. Failure to agree on any adjusted price shall be handled under the Dispute Resolution process specified in paragraph 49. However, nothing in this provision shall excuse the Contractor from delaying the delivery as notified.
- B. Neither party shall be liable for any default or delay in the performance of its obligations under this Contract if, while and to the extent such default or delay is caused by acts of God, fire, riots, civil commotion, labor disruptions, sabotage, sovereign conduct, or any other cause beyond the reasonable control of such Party. In

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the event of default or delay in contract performance due to any of the foregoing causes, then the time for completion of the services will be extended; provided, however, in such an event, a conference will be held within three (3) business days to establish a mutually agreeable period of time reasonably necessary to overcome the effect of such failure to perform.

**31. INDEMNITY:**

**A. Definitions:**

- i. "Indemnified Claims" shall include any and all claims, demands, suits, causes of action, judgments and liability of every character, type or description, including all reasonable costs and expenses of litigation, mediation or other alternate dispute resolution mechanism, including attorney and other professional fees for:
  - (1) damage to or loss of the property of any person (including, but not limited to the City, the Contractor, their respective agents, officers, employees and subcontractors; the officers, agents, and employees of such subcontractors; and third parties); and/or
  - (2) death, bodily injury, illness, disease, worker's compensation, loss of services, or loss of income or wages to any person (including but not limited to the agents, officers and employees of the City, the Contractor, the Contractor's subcontractors, and third parties),
- ii. "Fault" shall include the sale of defective or non-conforming Deliverables, negligence, willful misconduct, or a breach of any legally imposed strict liability standard.

**B. THE CONTRACTOR SHALL DEFEND (AT THE OPTION OF THE CITY), INDEMNIFY, AND HOLD THE CITY, ITS SUCCESSORS, ASSIGNS, OFFICERS, EMPLOYEES AND ELECTED OFFICIALS HARMLESS FROM AND AGAINST ALL INDEMNIFIED CLAIMS DIRECTLY ARISING OUT OF, INCIDENT TO, CONCERNING OR RESULTING FROM THE FAULT OF THE CONTRACTOR, OR THE CONTRACTOR'S AGENTS, EMPLOYEES OR SUBCONTRACTORS, IN THE PERFORMANCE OF THE CONTRACTOR'S OBLIGATIONS UNDER THE CONTRACT. NOTHING HEREIN SHALL BE DEEMED TO LIMIT THE RIGHTS OF THE CITY OR THE CONTRACTOR (INCLUDING, BUT NOT LIMITED TO, THE RIGHT TO SEEK CONTRIBUTION) AGAINST ANY THIRD PARTY WHO MAY BE LIABLE FOR AN INDEMNIFIED CLAIM.**

**32. INSURANCE: (reference Section 0400 for specific coverage requirements). The following insurance requirement applies. (Revised 6/01/98).**

**A. General Requirements.**

- i. The Contractor shall at a minimum carry insurance in the types and amounts indicated in Section 0400, Supplemental Purchase Provisions, for the duration of the Contract, including extension options and hold over periods, and during any warranty period.
- ii. The Contractor shall provide Certificates of Insurance with the coverages and endorsements required in Section 0400, Supplemental Purchase Provisions, to the City as verification of coverage prior to contract execution and within fourteen (14) calendar days after written request from the City. Failure to provide the required Certificate of Insurance may subject the Offer to disqualification from consideration for award. The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or hold over period is exercised, as verification of continuing coverage.
- iii. The Contractor shall not commence work until the required insurance is obtained and until such insurance has been reviewed by the City. Approval of insurance by the City shall not relieve or decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.
- iv. The City may request that the Contractor submit certificates of insurance to the City for all subcontractors prior to the subcontractors commencing work on the project.

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- v. The Contractor's and all subcontractors' insurance coverage shall be written by companies licensed to do business in the State of Texas at the time the policies are issued and shall be written by companies with A.M. Best ratings of B+VII or better.
- vi. The "other" insurance clause shall not apply to the City where the City is an additional insured shown on any policy. It is intended that policies required in the Contract, covering both the City and the Contractor, shall be considered primary coverage as applicable.
- vii. If insurance policies are not written for amounts specified in Section 0400, Supplemental Purchase Provisions, the Contractor shall carry Umbrella or Excess Liability Insurance for any differences in amounts specified. If Excess Liability Insurance is provided, it shall follow the form of the primary coverage.
- viii. The City shall be entitled, upon request, at an agreed upon location, and without expense, to review certified copies of policies and endorsements thereto and may make any reasonable requests for deletion or revision or modification of particular policy terms, conditions, limitations, or exclusions except where policy provisions are established by law or regulations binding upon either of the parties hereto or the underwriter on any such policies.
- ix. The City reserves the right to review the insurance requirements set forth during the effective period of the Contract and to make reasonable adjustments to insurance coverage, limits, and exclusions when deemed necessary and prudent by the City based upon changes in statutory law, court decisions, the claims history of the industry or financial condition of the insurance company as well as the Contractor.
- x. The Contractor shall not cause any insurance to be canceled nor permit any insurance to lapse during the term of the Contract or as required in the Contract.
- xi. The Contractor shall be responsible for premiums, deductibles and self-insured retentions, if any, stated in policies. Self-insured retentions shall be disclosed on the Certificate of Insurance.
- xii. The Contractor shall endeavor to provide the City thirty (30) calendar days' written notice of erosion of the aggregate limits below occurrence limits for all applicable coverages indicated within the Contract.
- xiii. The insurance coverages specified in Section 0400, Supplemental Purchase Provisions, are required minimums and are not intended to limit the responsibility or liability of the Contractor.

**B. Specific Coverage Requirements: Specific insurance requirements are contained in Section 0400, Supplemental Purchase Provisions**

33. **CLAIMS:** If any claim, demand, suit, or other action is asserted against the Contractor which arises under or concerns the Contract, or which could have a material adverse affect on the Contractor's ability to perform thereunder, the Contractor shall give written notice thereof to the City within ten (10) calendar days after receipt of notice by the Contractor. Such notice to the City shall state the date of notification of any such claim, demand, suit, or other action; the names and addresses of the claimant(s); the basis thereof; and the name of each person against whom such claim is being asserted. Such notice shall be delivered personally or by mail and shall be sent to the City and to the Austin City Attorney. Personal delivery to the City Attorney shall be to City Hall, 301 West 2<sup>nd</sup> Street, 4<sup>th</sup> Floor, Austin, Texas 78701, and mail delivery shall be to P.O. Box 1088, Austin, Texas 78767.
34. **NOTICES:** Unless otherwise specified, all notices, requests, or other communications required or appropriate to be given under the Contract shall be in writing and shall be deemed delivered three (3) business days after postmarked if sent by U.S. Postal Service Certified or Registered Mail, Return Receipt Requested. Notices delivered by other means shall be deemed delivered upon receipt by the addressee. Routine communications may be made by first class mail, telefax, or other commercially accepted means. Notices to the Contractor shall be sent to the address specified in the Contractor's Offer, or at such other address as a party may notify the other in writing. Notices to the

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City shall be addressed to the City at P.O. Box 1088, Austin, Texas 78767 and marked to the attention of the Contract Administrator.

35. **RIGHTS TO BID, PROPOSAL AND CONTRACTUAL MATERIAL:** All material submitted by the Contractor to the City shall become property of the City upon receipt. Any portions of such material claimed by the Contractor to be proprietary must be clearly marked as such. Determination of the public nature of the material is subject to the Texas Public Information Act, Chapter 552, Texas Government Code.
36. **NO WARRANTY BY CITY AGAINST INFRINGEMENTS:** The Contractor represents and warrants to the City that: (i) the Contractor shall provide the City good and indefeasible title to the Deliverables and (ii) the Deliverables supplied by the Contractor in accordance with the specifications in the Contract will not infringe, directly or contributorily, any patent, trademark, copyright, trade secret, or any other intellectual property right of any kind of any third party; that no claims have been made by any person or entity with respect to the ownership or operation of the Deliverables and the Contractor does not know of any valid basis for any such claims. The Contractor shall, at its sole expense, defend, indemnify, and hold the City harmless from and against all liability, damages, and costs (including court costs and reasonable fees of attorneys and other professionals) arising out of or resulting from: (i) any claim that the City's exercise anywhere in the world of the rights associated with the City's ownership, and if applicable, license rights, and its use of the Deliverables infringes the intellectual property rights of any third party; or (ii) the Contractor's breach of any of Contractor's representations or warranties stated in this Contract. In the event of any such claim, the City shall have the right to monitor such claim or at its option engage its own separate counsel to act as co-counsel on the City's behalf. Further, Contractor agrees that the City's specifications regarding the Deliverables shall in no way diminish Contractor's warranties or obligations under this paragraph and the City makes no warranty that the production, development, or delivery of such Deliverables will not impact such warranties of Contractor.
37. **CONFIDENTIALITY:** In order to provide the Deliverables to the City, Contractor may require access to certain of the City's and/or its licensors' confidential information (including inventions, employee information, trade secrets, confidential know-how, confidential business information, and other information which the City or its licensors consider confidential) (collectively, "Confidential Information"). Contractor acknowledges and agrees that the Confidential Information is the valuable property of the City and/or its licensors and any unauthorized use, disclosure, dissemination, or other release of the Confidential Information will substantially injure the City and/or its licensors. The Contractor (including its employees, subcontractors, agents, or representatives) agrees that it will maintain the Confidential Information in strict confidence and shall not disclose, disseminate, copy, divulge, recreate, or otherwise use the Confidential Information without the prior written consent of the City or in a manner not expressly permitted under this Agreement, unless the Confidential Information is required to be disclosed by law or an order of any court or other governmental authority with proper jurisdiction, provided the Contractor promptly notifies the City before disclosing such information so as to permit the City reasonable time to seek an appropriate protective order. The Contractor agrees to use protective measures no less stringent than the Contractor uses within its own business to protect its own most valuable information, which protective measures shall under all circumstances be at least reasonable measures to ensure the continued confidentiality of the Confidential Information.
38. **OWNERSHIP AND USE OF DELIVERABLES:** The City shall own all rights, titles, and interests throughout the world in and to the Deliverables.
- A. **Patents.** As to any patentable subject matter contained in the Deliverables, the Contractor agrees to disclose such patentable subject matter to the City. Further, if requested by the City, the Contractor agrees to assign and, if necessary, cause each of its employees to assign the entire right, title, and interest to specific inventions under such patentable subject matter to the City and to execute, acknowledge, and deliver and, if necessary, cause each of its employees to execute, acknowledge, and deliver an assignment of letters patent, in a form to be reasonably approved by the City, to the City upon request by the City.
- B. **Copyrights.** As to any Deliverables containing copyrightable subject matter, the Contractor agrees that upon their creation, such Deliverables shall be considered as work made-for-hire by the Contractor for the City and the City shall own all copyrights in and to such Deliverables, provided however, that nothing in this Paragraph 38 shall negate the City's sole or joint ownership of any such Deliverables arising by virtue of the City's sole or

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joint authorship of such Deliverables. Should by operation of law, such Deliverables not be considered works made-for-hire, the Contractor hereby assigns to the City (and agrees to cause each of its employees providing services to the City hereunder to execute, acknowledge, and deliver an assignment to the City of) all worldwide right, title, and interest in and to such Deliverables. With respect to such work made-for-hire, the Contractor agrees to execute, acknowledge, and deliver and cause each of its employees providing services to the City hereunder to execute, acknowledge, and deliver a work-made-for-hire agreement, in a form to be reasonably approved by the City, to the City upon delivery of such Deliverables to the City or at such other time as the City may request.

- C. **Additional Assignments.** The Contractor further agrees to, and if applicable, cause each of its employees to, execute, acknowledge, and deliver all applications, specifications, oaths, assignments, and all other instruments which the City might reasonably deem necessary in order to apply for and obtain copyright protection, mask work registration, trademark registration and/or protection, letters patent, or any similar rights in any and all countries and in order to assign and convey to the City, its successors, assigns and nominees, the sole and exclusive right, title, and interest in and to the Deliverables. The Contractor's obligation to execute, acknowledge, and deliver (or cause to be executed, acknowledged, and delivered) instruments or papers such as those described in this Paragraph 38 a., b., and c. shall continue after the termination of this Contract with respect to such Deliverables. In the event the City should not seek to obtain copyright protection, mask work registration or patent protection for any of the Deliverables, but should desire to keep the same secret, the Contractor agrees to treat the same as Confidential Information under the terms of Paragraph 37 above.
39. **PUBLICATIONS:** All published material and written reports submitted under the Contract must be originally developed material unless otherwise specifically provided in the Contract. When material not originally developed is included in a report in any form, the source shall be identified.
40. **ADVERTISING:** The Contractor shall not advertise or publish, without the City's prior consent, the fact that the City has entered into the Contract, except to the extent required by law.
41. **NO CONTINGENT FEES:** The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the Contract upon any agreement or understanding for commission, percentage, brokerage, or contingent fee, excepting bona fide employees of bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the City shall have the right, in addition to any other remedy available, to cancel the Contract without liability and to deduct from any amounts owed to the Contractor, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee.
42. **GRATUITIES:** The City may, by written notice to the Contractor, cancel the Contract without liability if it is determined by the City that gratuities were offered or given by the Contractor or any agent or representative of the Contractor to any officer or employee of the City of Austin with a view toward securing the Contract or securing favorable treatment with respect to the awarding or amending or the making of any determinations with respect to the performing of such contract. In the event the Contract is canceled by the City pursuant to this provision, the City shall be entitled, in addition to any other rights and remedies, to recover or withhold the amount of the cost incurred by the Contractor in providing such gratuities.
43. **PROHIBITION AGAINST PERSONAL INTEREST IN CONTRACTS:** No officer, employee, independent consultant, or elected official of the City who is involved in the development, evaluation, or decision-making process of the performance of any solicitation shall have a financial interest, direct or indirect, in the Contract resulting from that solicitation. Any willful violation of this section shall constitute impropriety in office, and any officer or employee guilty thereof shall be subject to disciplinary action up to and including dismissal. Any violation of this provision, with the knowledge, expressed or implied, of the Contractor shall render the Contract voidable by the City.
44. **INDEPENDENT CONTRACTOR:** The Contract shall not be construed as creating an employer/employee relationship, a partnership, or a joint venture. The Contractor's services shall be those of an independent contractor. The Contractor agrees and understands that the Contract does not grant any rights or privileges established for employees of the City.



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45. **ASSIGNMENT-DELEGATION**: The Contract shall be binding upon and enure to the benefit of the City and the Contractor and their respective successors and assigns, provided however, that no right or interest in the Contract shall be assigned and no obligation shall be delegated by the Contractor without the prior written consent of the City. Any attempted assignment or delegation by the Contractor shall be void unless made in conformity with this paragraph. The Contract is not intended to confer rights or benefits on any person, firm or entity not a party hereto; it being the intention of the parties that there be no third party beneficiaries to the Contract.
46. **WAIVER**: No claim or right arising out of a breach of the Contract can be discharged in whole or in part by a waiver or renunciation of the claim or right unless the waiver or renunciation is supported by consideration and is in writing signed by the aggrieved party. No waiver by either the Contractor or the City of any one or more events of default by the other party shall operate as, or be construed to be, a permanent waiver of any rights or obligations under the Contract, or an express or implied acceptance of any other existing or future default or defaults, whether of a similar or different character.
47. **MODIFICATIONS**: The Contract can be modified or amended only by a writing signed by both parties. No pre-printed or similar terms on any the Contractor invoice, order or other document shall have any force or effect to change the terms, covenants, and conditions of the Contract.
48. **INTERPRETATION**: The Contract is intended by the parties as a final, complete and exclusive statement of the terms of their agreement. No course of prior dealing between the parties or course of performance or usage of the trade shall be relevant to supplement or explain any term used in the Contract. Although the Contract may have been substantially drafted by one party, it is the intent of the parties that all provisions be construed in a manner to be fair to both parties, reading no provisions more strictly against one party or the other. Whenever a term defined by the Uniform Commercial Code, as enacted by the State of Texas, is used in the Contract, the UCC definition shall control, unless otherwise defined in the Contract.
49. **DISPUTE RESOLUTION**:
- A. If a dispute arises out of or relates to the Contract, or the breach thereof, the parties agree to negotiate prior to prosecuting a suit for damages. However, this section does not prohibit the filing of a lawsuit to toll the running of a statute of limitations or to seek injunctive relief. Either party may make a written request for a meeting between representatives of each party within fourteen (14) calendar days after receipt of the request or such later period as agreed by the parties. Each party shall include, at a minimum, one (1) senior level individual with decision-making authority regarding the dispute. The purpose of this and any subsequent meeting is to attempt in good faith to negotiate a resolution of the dispute. If, within thirty (30) calendar days after such meeting, the parties have not succeeded in negotiating a resolution of the dispute, they will proceed directly to mediation as described below. Negotiation may be waived by a written agreement signed by both parties, in which event the parties may proceed directly to mediation as described below.
  - B. If the efforts to resolve the dispute through negotiation fail, or the parties waive the negotiation process, the parties may select, within thirty (30) calendar days, a mediator trained in mediation skills to assist with resolution of the dispute. Should they choose this option, the City and the Contractor agree to act in good faith in the selection of the mediator and to give consideration to qualified individuals nominated to act as mediator. Nothing in the Contract prevents the parties from relying on the skills of a person who is trained in the subject matter of the dispute or a contract interpretation expert. If the parties fail to agree on a mediator within thirty (30) calendar days of initiation of the mediation process, the mediator shall be selected by the Travis County Dispute Resolution Center (DRC). The parties agree to participate in mediation in good faith for up to thirty (30) calendar days from the date of the first mediation session. The City and the Contractor will share the mediator's fees equally and the parties will bear their own costs of participation such as fees for any consultants or attorneys they may utilize to represent them or otherwise assist them in the mediation.
50. **JURISDICTION AND VENUE**: The Contract is made under and shall be governed by the laws of the State of Texas, including, when applicable, the Uniform Commercial Code as adopted in Texas, V.T.C.A., Bus. & Comm. Code, Chapter 1, excluding any rule or principle that would refer to and apply the substantive law of another state or jurisdiction. All issues arising from this Contract shall be resolved in the courts of Travis County, Texas and the

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parties agree to submit to the exclusive personal jurisdiction of such courts. The foregoing, however, shall not be construed or interpreted to limit or restrict the right or ability of the City to seek and secure injunctive relief from any competent authority as contemplated herein.

51. **INVALIDITY:** The invalidity, illegality, or unenforceability of any provision of the Contract shall in no way affect the validity or enforceability of any other portion or provision of the Contract. Any void provision shall be deemed severed from the Contract and the balance of the Contract shall be construed and enforced as if the Contract did not contain the particular portion or provision held to be void. The parties further agree to reform the Contract to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. The provisions of this section shall not prevent this entire Contract from being void should a provision which is the essence of the Contract be determined to be void.

52. **HOLIDAYS:** The following holidays are observed by the City:

<u>Holiday</u>	<u>Date Observed</u>
New Year's Day	January 1
Martin Luther King, Jr.'s Birthday	Third Monday in January
President's Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Veteran's Day	November 11
Thanksgiving Day	Fourth Thursday in November
Friday after Thanksgiving	Friday after Thanksgiving
Christmas Eve	December 24
Christmas Day	December 25

If a Legal Holiday falls on Saturday, it will be observed on the preceding Friday. If a Legal Holiday falls on Sunday, it will be observed on the following Monday.

53. **SURVIVABILITY OF OBLIGATIONS:** All provisions of the Contract that impose continuing obligations on the parties, including but not limited to the warranty, indemnity, and confidentiality obligations of the parties, shall survive the expiration or termination of the Contract.

54. **NON-SUSPENSION OR DEBARMENT CERTIFICATION:**

The City of Austin is prohibited from contracting with or making prime or sub-awards to parties that are suspended or debarred or whose principals are suspended or debarred from Federal, State, or City of Austin Contracts. By accepting a Contract with the City, the Vendor certifies that its firm and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.

55. **EQUAL OPPORTUNITY**

- A. **Equal Employment Opportunity:** No Offeror, or Offeror's agent, shall engage in any discriminatory employment practice as defined in Chapter 5-4 of the City Code. No Offer submitted to the City shall be considered, nor any Purchase Order issued, or any Contract awarded by the City unless the Offeror has executed and filed with the City Purchasing Office a current Non-Discrimination Certification. Non-compliance with Chapter 5-4 of the City Code may result in sanctions, including termination of the contract

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and the Contractor's suspension or debarment from participation on future City contracts until deemed compliant with Chapter 5-4.

- B. **Americans with Disabilities Act (ADA) Compliance:** No Offeror, or Offeror's agent, shall engage in any discriminatory employment practice against individuals with disabilities as defined in the ADA.

**56. BUY AMERICAN ACT-SUPPLIES (Applicable to certain Federally funded requirements)**

- A. Definitions. As used in this paragraph –

- i. "Component" means an article, material, or supply incorporated directly into an end product.
- ii. "Cost of components" means -
  - (1) For components purchased by the Contractor, the acquisition cost, including transportation costs to the place of incorporation into the end product (whether or not such costs are paid to a domestic firm), and any applicable duty (whether or not a duty-free entry certificate is issued); or
  - (2) For components manufactured by the Contractor, all costs associated with the manufacture of the component, including transportation costs as described in paragraph (1) of this definition, plus allocable overhead costs, but excluding profit. Cost of components does not include any costs associated with the manufacture of the end product.
- iii. "Domestic end product" means-
  - (1) An unmanufactured end product mined or produced in the United States; or
  - (2) An end product manufactured in the United States, if the cost of its components mined, produced, or manufactured in the United States exceeds 50 percent of the cost of all its components. Components of foreign origin of the same class or kind as those that the agency determines are not mined, produced, or manufactured in sufficient and reasonably available commercial quantities of a satisfactory quality are treated as domestic. Scrap generated, collected, and prepared for processing in the United States is considered domestic.
- iv. "End product" means those articles, materials, and supplies to be acquired under the contract for public use.
- v. "Foreign end product" means an end product other than a domestic end product.
- vi. "United States" means the 50 States, the District of Columbia, and outlying areas.

- B. The Buy American Act (41 U.S.C. 10a - 10d) provides a preference for domestic end products for supplies acquired for use in the United States.
- C. The City does not maintain a list of foreign articles that will be treated as domestic for this Contract; but will consider for approval foreign articles as domestic for this product if the articles are on a list approved by another Governmental Agency. The Offeror shall submit documentation with their Offer demonstrating that the article is on an approved Governmental list.
- D. The Contractor shall deliver only domestic end products except to the extent that it specified delivery of foreign end products in the provision of the Solicitation entitled "Buy American Act Certificate".

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SUPPLEMENTAL PURCHASE PROVISIONS**

The following Supplemental Purchasing Provisions apply to this solicitation:

**1. EXPLANATIONS OR CLARIFICATIONS** (reference paragraph 5 in Section 0200)

All requests for explanations or clarifications must be submitted in writing to the Purchasing Office by 5/4/2012 via fax at 512-974-2388 or email at [Jeffery.dilbert@austintexas.gov](mailto:Jeffery.dilbert@austintexas.gov)

**2. INSURANCE**. Insurance is required for this solicitation.

- A. General Requirements. See Section 0300, Standard Purchase Terms and Conditions, paragraph 32, entitled Insurance, for general insurance requirements.
- i. The Contractor shall provide a Certificate of Insurance as verification of coverages required below to the City at the below address prior to contract execution and within 14 calendar days after written request from the City. Failure to provide the required Certificate of Insurance may subject the Offer to disqualification from consideration for award
  - ii. The Contractor shall not commence work until the required insurance is obtained and until such insurance has been reviewed by the City. Approval of insurance by the City shall not relieve or decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.
  - iii. The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or holdover period is exercised, as verification of continuing coverage.
  - iv. The Certificate of Insurance, and updates, shall contain the solicitation number and the Buyer's name and shall be mailed to the following address:  
  
City of Austin Purchasing Office  
Attn: Jeff Dilbert  
P. O. Box 1088  
Austin, Texas 78767
- B. Specific Coverage Requirements. The Contractor shall at a minimum carry insurance in the types and amounts indicated below for the duration of the Contract, including extension options and hold over periods, and during any warranty period. These insurance coverages are required minimums and are not intended to limit the responsibility or liability of the Contractor.
- i. Worker's Compensation and Employers' Liability Insurance. Coverage shall be consistent with statutory benefits outlined in the Texas Worker's Compensation Act (Section 401). The minimum policy limits for Employer's Liability are \$100,000 bodily injury each accident, \$500,000 bodily injury by disease policy limit and \$100,000 bodily injury by disease each employee.
    - (1) The Contractor's policy shall apply to the State of Texas and include these endorsements in favor of the City of Austin:
      - (a) Waiver of Subrogation, Form WC 420304, or equivalent coverage
      - (b) Thirty (30) days Notice of Cancellation, Form WC 420601, or equivalent coverage
  - ii. Commercial General Liability Insurance. The minimum bodily injury and property damage per occurrence are \$500,000 for coverages A (Bodily Injury and Property Damage) and B (Personal and Advertising Injuries).

**CITY OF AUSTIN  
PURCHASING OFFICE  
SOLICITATION JSD0124 – BENEFIT PLANS ADMINISTRATION  
SUPPLEMENTAL PURCHASE PROVISIONS**

- (1) The policy shall contain the following provisions:
  - (a) Blanket contractual liability coverage for liability assumed under the Contract and all other Contracts related to the project.
  - (b) Independent Contractor's Coverage.
  - (c) Products/Completed Operations Liability for the duration of the warranty period.
  - (d) If the project involves digging or drilling provisions must be included that provide Explosion, Collapse, and Underground Coverage (X,C,U).
- (2) The policy shall also include these endorsements in favor of the City of Austin:
  - (a) Waiver of Subrogation, Endorsement CG 2404, or equivalent coverage
  - (b) Thirty (30) days Notice of Cancellation, Endorsement CG 0205, or equivalent coverage
  - (c) The City of Austin listed as an additional insured, Endorsement CG 2010, or equivalent coverage

iii. Business Automobile Liability Insurance. The Contractor shall provide coverage for all owned, non-owned and hired vehicles with a minimum combined single limit of \$500,000 per occurrence for bodily injury and property damage. Alternate acceptable limits are \$250,000 bodily injury per person, \$500,000 bodily injury per occurrence and at least \$100,000 property damage liability per accident.

- (1) The policy shall include these endorsements in favor of the City of Austin:
  - (a) Waiver of Subrogation, Endorsement TE 2046A, or equivalent coverage
  - (b) Thirty (30) days Notice of Cancellation, Endorsement TE 0202A, or equivalent coverage
  - (c) The City of Austin listed as an additional insured, Endorsement TE 9901B, or equivalent coverage.

C. Endorsements. The specific insurance coverage endorsements specified above, or their equivalents must be provided. In the event that endorsements, which are the equivalent of the required coverage, are proposed to be substituted for the required coverage, copies of the equivalent endorsements must be provided for the City's review and approval.

iv. Professional Liability Insurance. The Contractor shall provide coverage, at a minimum limit of \$1,000,000 per claim, to pay on behalf of the assured all sums which the assured shall become legally obligated to pay as damages by reason of any negligent act, error, or omission arising out of the performance of professional services under this Agreement.

If coverage is written on a claims-made basis, the retroactive date shall be prior to or coincident with the date of the Contract and the certificate of insurance shall state that the coverage is claims-made and indicate the retroactive date. This coverage shall be continuous and will be provided for 24 months following the completion of the contract.

D. Certificate: The following statement must be shown on the Certificate of Insurance.

The City of Austin is an Additional Insured on the general liability and the auto liability policies. A Waiver of Subrogation is issued in favor of the City of Austin for general liability, auto liability and workers compensation policies.

**3. PROPOSAL BOND ("BOND")**

- A. All Offers shall be accompanied by a Proposal Bond in an amount of not less than five percent (5%) of the total Offer. The Proposal Bond must have a Power of Attorney attached, issued by a solvent surety authorized under the laws of the State of Texas and acceptable to the City.



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- B. The Proposal Bond accompanying the Offer of the apparent successful Offeror will be retained until a Contract is awarded and the successful Offeror executes the Contract and furnishes any required bonds and insurance, after which the Proposal Bond will be returned to the Offeror. The Proposal Bond provided by the next lowest or next Best Offeror will be retained until a Contract is awarded. All other Proposal Bonds will be returned within a reasonable amount of time necessary to make an award recommendation.

**4. PERFORMANCE BOND**

- A. The Contractor shall provide a Performance Bond in an amount equal to 100% of the Contract amount within 14 calendar days (14 unless a different period is inserted) after notification of award. The Performance Bond serves as security for the faithful performance of all of the Contractor's obligations under the Contract. The Performance Bond shall be issued by a solvent company authorized to do business in the State of Texas, and shall meet any other requirements established by law or by the City pursuant to applicable law. The Surety must obtain reinsurance for any portion of the risk that exceeds 10% of the Surety's capital and surplus. For bonds exceeding \$100,000, the Surety must also hold a certificate of authority from the U.S. Secretary of the Treasury or have obtained reinsurance from a reinsurer that is authorized as a reinsurer in Texas and holds a certificate of authority from the U.S. Secretary of the Treasury.
- B. The Performance Bond shall remain in effect throughout the term of the Contract and shall be renewed for each respective extension.

**5. TERM OF CONTRACT**

- A. The Contract shall be in effect for an initial term of 12 months and may be extended thereafter for up to 6 additional 12 month periods, subject to the approval of the Contractor and the City Purchasing Officer or his designee.
- B. Upon expiration of the initial term or period of extension, the Contractor agrees to hold over under the terms and conditions of this agreement for such a period of time as is reasonably necessary to re-solicit and/or complete the project (not to exceed 120 days unless mutually agreed on in writing).
- C. Upon written notice to the Contractor from the City's Purchasing Officer or his designee and acceptance of the Contractor, the term of this contract shall be extended on the same terms and conditions for an additional period as indicated in paragraph A above. A price increase, subject to the provisions of this Contract, may be requested by the Contractor (for each period of extension) for approval by the City's Purchasing Officer or his designee.

THIS IS A 12 MONTH CONTRACT.

**6. QUANTITIES**

The quantities listed herein are estimates for the period of the Contract. The City reserves the right to purchase more or less of these quantities as may be required during the Contract term. Quantities will be as needed and specified by the City for each order. Unless specified in the solicitation, there are no minimum order quantities.

**7. INVOICES and PAYMENT** (reference paragraphs 12 and 13 in Section 0300)

- A. Invoices shall contain a non-duplicated invoice number and the information required in Section 0300, paragraph 12, entitled "Invoices." Invoices received without all required information cannot be processed and will be returned to the vendor.

Invoices shall be mailed to the below address:

**CITY OF AUSTIN  
PURCHASING OFFICE  
SOLICITATION JSD0124 – BENEFIT PLANS ADMINISTRATION  
SUPPLEMENTAL PURCHASE PROVISIONS**

	City of Austin
Department	Human Resources
Attn:	Accounts Payable
Address	One Texas Center 505 Barton Springs Road STE 600
City, State Zip Code	Austin, TX 78704-1245

- B. The Contractor agrees to accept payment by either credit card, check or Electronic Funds Transfer (EFT) for all goods and/or services provided under the Contract. The Contractor shall factor the cost of processing credit card payments into the Offer. There shall be no additional charges, surcharges, or penalties to the City for payments made by credit card.

**8. LIVING WAGES AND BENEFITS (applicable to procurements involving the use of labor)**

- A. In order to help assure low employee turnover, quality services, and to reduce costs for health care provided to uninsured citizens, the Austin City Council is committed to ensuring fair compensation for City employees and those persons employed elsewhere in Austin. This commitment has been supported by actions to establish a "living wage" and affordable health care protection. Currently, the minimum wage for City employees is \$11.00 per hour. This minimum wage is required for any Contractor employee directly assigned to this City Contract, unless Published Wage Rates are included in this solicitation. In addition, the City may stipulate higher wage rates in certain solicitations in order to assure quality and continuity of service.
- B. Additionally, the City provides health insurance for its employees, and for a nominal rate, employees may obtain coverage for their family members. Contractors must offer health insurance with optional family coverage for all Contractor employees directly assigned to this contract. Proof of the health care plan shall be provided prior to award of a Contract. In addition, an insurance certificate for Workers' Compensation Insurance Coverage must be provided if required by the solicitation.
- C. The City requires Contractors submitting Offers on this Contract to provide a signed certification (**see the Living Wages and Benefits Contractor Certification included in the Solicitation**) with their Offer certifying that all employees directly assigned to this City Contract will be paid a minimum living wage equal to or greater than \$11.00 per hour and are offered a health care plan. The certification shall include a list of all employees directly assigned to providing services under the resultant contract including their name and job title. The list shall be updated and provided to the City as necessary throughout the term of the Contract.
- D. The Contractor shall maintain throughout the term of the resultant contract basic employment and wage information for each employee as required by the Fair Labor Standards Act (FLSA). Basic employment records shall at a minimum include:
- i. employee's full name, as used for social security purposes, and on the same record, the employee's identifying symbol or number if such is used in place of name on any time, work, or payroll records;
  - ii. time and date of week when employee's workweek begins;
  - iii. hours worked each day and total hours worked each workweek;
  - iv. basis on which employee's wages are paid;
  - v. regular hourly pay rate;
  - vi. total daily or weekly straight-time earnings;
  - vii. total overtime earnings for the workweek;
  - viii. all additions to or deductions from the employee's wages;

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- ix. total wages paid each pay period; and
  - x. date of payment and the pay period covered by the payment.
- E. The Contractor shall provide with the first invoice and as requested by the Department's Contract Manager, individual Employee Certifications (**see the Living Wages and Benefits Employee Certification included in the Solicitation**) for all employees directly assigned to the contract containing:
- i. the employee's name and job title;
  - ii. a statement certifying that the employee is paid at a rate equal to or greater than the Living Wage of \$11.00 per hour;
  - iii. a statement certifying that the employee is offered a health care plan with optional family coverage.

Employee Certifications shall be signed by each employee directly assigned to the contract.

- A. Contractor shall submit employee certifications quarterly with the respective invoice to verify that employees are paid the Living Wage throughout the term of the contract.
- G. The Department's Contract Manager will periodically review the employee data submitted by the Contractor to verify compliance with this Living Wage provision. The City retains the right to review employee records identified in paragraph D above to verify compliance with this provision.

**9. NON-COLLUSION, NON-CONFLICT OF INTEREST, AND ANTI-LOBBYING**

- A. On November 10, 2011, the Austin City Council adopted Ordinance No. 20111110-052 amending Chapter 2.7, Article 6 of the City Code relating to Anti-Lobbying and Procurement. The policy defined in this Code applies to Solicitations for goods and/or services requiring City Council approval under City Charter Article VII, Section 15 (Purchase Procedures). During the No-Contact Period, Offerors or potential Offerors are prohibited from making a representation to anyone other than the Authorized Contact Person in the Solicitation as the contact for questions and comments regarding the Solicitation.
- B. If during the No-Contact Period an Offeror makes a representation to anyone other than the Authorized Contact Person for the Solicitation, the Offeror's Offer is disqualified from further consideration except as permitted in the Ordinance.
- C. If a Respondent has been disqualified under this article more than two times in a sixty (60) month period, the Purchasing Officer shall debar the Offeror from doing business with the City for a period not to exceed three (3) years, provided the Respondent is given written notice and a hearing in advance of the debarment.
- D. The City requires Offerors submitting Offers on this Solicitation to provide a signed Section 0810, Non-Collusion, Non-Conflict of Interest, and Anti-Lobbying Affidavit, certifying that the Offeror has not in any way directly or indirectly made representations to anyone other than the Authorized Contact Person during the No-Contact Period as defined in the Ordinance. The text of the City Ordinance is posted on the Internet at:  
<http://www.ci.austin.tx.us/edims/document.cfm?id=161145>

**10. NON-SOLICITATION**

- A. During the term of the Contract, and for a period of six (6) months following termination of the Contract, the Contractor, its affiliate, or its agent shall not hire, employ, or solicit for employment or consulting services, a City employee employed in a technical job classification in a City department that engages or uses the services of a Contractor employee.

**CITY OF AUSTIN  
PURCHASING OFFICE  
SOLICITATION JSD0124 – BENEFIT PLANS ADMINISTRATION  
SUPPLEMENTAL PURCHASE PROVISIONS**

- B. In the event that a breach of Paragraph A occurs the Contractor shall pay liquidated damages to the City in an amount equal to the greater of: (i) one (1) year of the employee's annual compensation; or (ii) 100 percent of the employee's annual compensation while employed by the City. The Contractor shall reimburse the City for any fees and expenses incurred in the enforcement of this provision.
- C. During the term of the Contract, and for a period of six (6) months following termination of the Contract, a department that engages the services of the Contractor or uses the services of a Contractor employee will not hire a Contractor employee while the employee is performing work under a Contract with the City unless the City first obtains the Contractor's approval.
- D. In the event that a breach of Paragraph C occurs, the City shall pay liquidated damages to the Contractor in an amount equal to the greater of (i) one (1) year of the employee's annual compensation or (ii) 100 percent of the employee's annual compensation while employed by the Contractor.

11. **INTERLOCAL PURCHASING AGREEMENTS** (applicable to competitively procured goods/services contracts).

- A. The City has entered into Interlocal Purchasing Agreements with other governmental entities, pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The Contractor agrees to offer the same prices and terms and conditions to other eligible governmental agencies that have an interlocal agreement with the City.
- A. The City does not accept any responsibility or liability for the purchases by other governmental agencies through an interlocal cooperative agreement.

12. **CONTRACT MANAGER**

The following person is designated as Contract Manager, and will act as the contact point between the City and the Contractor during the term of the Contract:

Gail Ray

512-974-3409

\*Note: The above listed Contract Manager is not the authorized Contact Person for purposes of the **NON-COLLUSION, NON-CONFLICT OF INTEREST, AND ANTI-LOBBYING Provision** of this Section; and therefore, contact with the Contract Manager is prohibited during the no contact period.



**MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISE (MBE/WBE)  
PROCUREMENT PROGRAM  
NO GOALS FORM**

SOLICITATION NUMBER: JSD0124

PROJECT NAME: Benefits Plan Administraion

**The City of Austin has determined that no goals are appropriate for this project.** Even though no goals have been established for this solicitation, the Bidder/Proposer is required to comply with the City's MBE/WBE Procurement Program, if areas of subcontracting are identified.

If any service is needed to perform the Contract and the Bidder/Proposer does not perform the service with its own workforce or if supplies or materials are required and the Bidder/Proposer does not have the supplies or materials in its inventory, the Bidder/Proposer shall contact the Small and Minority Business Resources Department (SMBR) at (512) 974-7600 to obtain a list of MBE and WBE firms available to perform the service or provide the supplies or materials. The Bidder/Proposer must also make a Good Faith Effort to use available MBE and WBE firms. Good Faith Efforts include but are not limited to contacting the listed MBE and WBE firms to solicit their interest in performing on the Contract; using MBE and WBE firms that have shown an interest, meet qualifications, and are competitive in the market; and documenting the results of the contacts.

**Will subcontractors or sub-consultants or suppliers be used to perform portions of this Contract?**

No \_\_\_\_\_ If no, please sign the No Goals Form and submit it with your Bid/Proposal in a sealed envelope.

Yes \_\_\_\_\_ If yes, please contact SMBR to obtain further instructions and an availability list and perform Good Faith Efforts. Complete and submit the No Goals Form and the No Goals Utilization Plan with your Bid/Proposal in a sealed envelope.

After Contract award, if your firm subcontracts any portion of the Contract, it is a requirement to complete Good Faith Efforts and the No Goals Utilization Plan, listing any subcontractor, subconsultant, or supplier. Return the completed Plan to the Project Manager or the Contract Manager.

I understand that even though no goals have been established, I must comply with the City's MBE/WBE Procurement Program if subcontracting areas are identified. I agree that this No Goals Form and No Goals Utilization Plan shall become a part of my Contract with the City of Austin.

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Name and Title of Authorized Representative (Print or Type)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date



**MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISE (MBE/WBE)  
PROCUREMENT PROGRAM  
NO GOALS UTILIZATION PLAN**  
*(Please duplicate as needed)*

SOLICITATION NUMBER:	JSD0124
PROJECT NAME:	Benefits Plan Administration

**PRIME CONTRACTOR/CONSULTANT COMPANY INFORMATION**

Name of Contractor/Consultant			
Address			
City, State Zip			
Phone		Fax Number	
Name of Contact Person			
Is company City certified?	Yes <input type="checkbox"/> No <input type="checkbox"/>	MBE <input type="checkbox"/> WBE <input type="checkbox"/>	MBE/WBE Joint Venture <input type="checkbox"/>

I certify that the information included in this No Goals Utilization Plan is true and complete to the best of my knowledge and belief. I further understand and agree that the information in this document shall become part of my Contract with the City of Austin.

\_\_\_\_\_  
**Name and Title of Authorized Representative (Print or Type)**

\_\_\_\_\_  
**Signature** \_\_\_\_\_  
**Date**

Provide a list of all proposed subcontractors/subconsultants/suppliers that will be used in the performance of this Contract. **Attach Good Faith Efforts documentation if non MBE/WBE firms will be used.**

<b>Sub-Contractor/Consultant</b>			
City of Austin Certified	MBE <input type="checkbox"/> WBE <input type="checkbox"/>	Ethnic/Gender Code:	<input type="checkbox"/> NON CERTIFIED
Vendor ID Code			
Contact Person	Phone Number:		
Amount of Subcontract	\$		
List commodity codes & description of services			

<b>Sub-Contractor/Consultant</b>			
City of Austin Certified	MBE <input type="checkbox"/> WBE <input type="checkbox"/>	Ethnic/Gender Code:	<input type="checkbox"/> NON CERTIFIED
Vendor ID Code			
Contact Person	Phone Number:		
Amount of Subcontract	\$		
List commodity codes & description of services			

**FOR SMALL AND MINORITY BUSINESS RESOURCES DEPARTMENT USE ONLY:**

Having reviewed this plan, I acknowledge that the proposer (HAS) or (HAS NOT) complied with City Code Chapter 2-9A/B/C/D, as amended.

Reviewing Counselor \_\_\_\_\_ Date \_\_\_\_\_ Director/Deputy Director \_\_\_\_\_ Date \_\_\_\_\_

**CITY OF AUSTIN  
PURCHASING OFFICE  
"NO OFFER" REPLY FORM**

**SOLICITATION NUMBER:** JSD0124

**Please Complete and Return This Form to the following address to Indicate a "No Offer" Reply**

City of Austin  
Purchasing Office  
P.O. Box 1088  
Austin, Texas 78767-8845

**(DO NOT RETURN ALONG WITH OFFER)**

Please check the appropriate box to indicate why your firm is submitting a "no offer" response. Failure to respond to three (3) consecutive solicitations may result in your company being removed from the source list for this commodity or service. Completion of this form will assist us in maintaining an accurate, up-to-date source list.

**COMMODITY CODE:** 95348

**DESCRIPTION:** Health/Hospitalization

- ☐ Unable to supply item(s) specified. Remove my company from the source list for the Commodity / Service Group
- ☐ Unable to supply item(s) specified. Retain my company on the vendor list for this commodity / service.
- ☐ Cannot meet the Scope of Work / Specifications.
- ☐ Cannot provide required Insurance.
- ☐ Cannot provide required Bonding.
- ☐ Job too small.
- ☐ Job too large.
- ☐ Do not wish to do business with the City. Remove my company from the City's Vendor list.
- ☐ Other reason (please state why you will not submit a bid):  
\_\_\_\_\_  
\_\_\_\_\_

Contractor's Name: \_\_\_\_\_

Street Address \_\_\_\_\_

City, State, Zip Code \_\_\_\_\_

Signature of Officer or  
Authorized  
Representative: \_\_\_\_\_

Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title \_\_\_\_\_

**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Section 0630 Commercial and Legal Contract Terms**

The terms listed herein are non-negotiable contract terms required by the City of Austin. The Successful Contractor will be required to sign an Agreement with the following Agreement terms. An officer of the contractor's company must review, comment, and sign this document. Place the completed and signed documents in Tab 3 of your proposal. Failure to agree to these standard Agreement terms may result in proposal being non-responsive.

1. **CONTRACTOR'S OBLIGATIONS.** The Contractor shall fully and timely provide all deliverables described in the Solicitation and in the Contractor's Offer in strict accordance with the terms, covenants, and conditions of the Contract and all applicable Federal, State, and local laws, rules, and regulations.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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2. **TITLE & RISK OF LOSS.** If applicable, title to and risk of loss of the deliverables shall pass to the City only when the City actually receives and accepts the deliverables.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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3. **PLACE AND CONDITION OF WORK.** The City shall provide the Contractor access to the sites where the Contractor is to perform the services as required in order for the Contractor to perform the services in a timely and efficient manner, in accordance with and subject to the applicable security laws, rules, and regulations. The Contractor acknowledges that it has satisfied itself as to the nature of the City's service requirements and specifications, the location and essential characteristics of the work sites, the quality and quantity of materials, equipment, labor and facilities necessary to perform the services, and any other condition or state of fact which could in any way affect performance of the Contractor's obligations under the Contract. The Contractor hereby releases and holds the City harmless from and against any liability or claim for damages of any kind or nature if the actual site or service conditions differ from expected conditions.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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4. **WORKFORCE.**

- A. The Contractor shall employ only orderly and competent workers, skilled in the performance of the services which they will perform under the Contract.
- B. The Contractor, its employees, subcontractors, and subcontractor's employees may not while engaged in participating or responding to a solicitation or while in the course and scope of delivering goods or services under a City of Austin contract or on the City's property:
- I. use or possess a firearm, including a concealed handgun that is licensed under state law, except as required by the terms of the contract; or

**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Section 0630 Commercial and Legal Contract Terms**

- ii. use or possess alcoholic or other intoxicating beverages, illegal drugs or controlled substances, nor may such workers be intoxicated, or under the influence of alcohol or drugs, on the job.
- C. If the City or the City's representative notifies the Contractor that any worker is incompetent, disorderly or disobedient, has knowingly or repeatedly violated safety regulations, has possessed any firearms, or has possessed or was under the influence of alcohol or drugs on the job, the Contractor shall immediately remove such worker from Contract services, and may not employ such worker again on Contract services without the City's prior written consent.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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5. **COMPLIANCE WITH HEALTH, SAFETY, AND ENVIRONMENTAL REGULATIONS.** The Contractor, its Subcontractors, and their respective employees, shall comply fully with all applicable federal, state, and local health, safety, and environmental laws, ordinances, rules and regulations in the performance of the services, including but not limited to those promulgated by the City and by the Occupational Safety and Health Administration (OSHA). In case of conflict, the most stringent safety requirement shall govern. The Contractor shall indemnify and hold the City harmless from and against all claims, demands, suits, actions, judgments, fines, penalties and liability of every kind arising from the breach of the Contractor's obligations under this paragraph.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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6. **INVOICES.**

- A. The Contractor shall submit separate invoices in duplicate on each purchase order or purchase release after each delivery. If partial shipments or deliveries are authorized by the City, a separate invoice must be sent for each shipment or delivery made.
- B. **Proper Invoices must include a unique invoice number, the purchase order or delivery order number and the master agreement number if applicable, the Department's Name, and the name of the point of contact for the Department.** Invoices shall be itemized and transportation charges, if any, shall be listed separately. A copy of the bill of lading and the freight waybill, when applicable, shall be attached to the invoice. The Contractor's name and, if applicable, the tax identification number on the invoice must exactly match the information in the Vendor's registration with the City. Unless otherwise instructed in writing, the City may rely on the remittance address specified on the Contractor's invoice.
- C. Invoices for labor shall include a copy of all time-sheets with trade labor rate and deliverables order number clearly identified. Invoices shall also include a tabulation of work-hours at the appropriate rates and grouped by work order number. Time billed for labor shall be limited to hours actually worked at the work site.
- D. Unless otherwise expressly authorized in the Contract, the Contractor shall pass through all Subcontract and other authorized expenses at actual cost without markup.
- E. Federal excise taxes, State taxes, or City sales taxes must not be included in the invoiced amount. The City will furnish a tax exemption certificate upon request.



**REQUEST FOR PROPOSAL NO. JSD0124**  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Section 0630 Commercial and Legal Contract Terms**

☐ Accepted as written

☐ Not Accepted as written. See comments below

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**7. PAYMENT.**

- A. All proper invoices received by the City will be paid within thirty (30) calendar days of the City's receipt of the deliverables or of the invoice, whichever is later.
- B. If payment is not timely made, (per paragraph A), interest shall accrue on the unpaid balance at the lesser of the rate specified in Texas Government Code Section 2251.025 or the maximum lawful rate; except, if payment is not timely made for a reason for which the City may withhold payment hereunder, interest shall not accrue until ten (10) calendar days after the grounds for withholding payment have been resolved.
- C. If partial shipments or deliveries are authorized by the City, the Contractor will be paid for the partial shipment or delivery, as stated above, provided that the invoice matches the shipment or delivery.
- D. The City may withhold or set off the entire payment or part of any payment otherwise due the Contractor to such extent as may be necessary on account of:
  - i. delivery of defective or non-conforming deliverables by the Contractor;
  - ii. third party claims, which are not covered by the insurance which the Contractor is required to provide, are filed or reasonable evidence is provided indicating probable filing of such claims;
  - iii. failure of the Contractor to pay Subcontractors, or for labor, materials or equipment;
  - iv. damage to the property of the City or the City's agents, employees or contractors, which is not covered by insurance required to be provided by the Contractor;
- E. reasonable evidence that the Contractor's obligations will not be completed within the time specified in the Contract, and that the unpaid balance would not be adequate to cover actual or liquidated damages for the anticipated delay,
  - vi. failure of the Contractor to submit proper invoices with all required attachments and supporting documentation; or
  - vii. failure of the Contractor to comply with any material provision of the Contract Documents.
- F. Notice is hereby given of Article VIII, Section 1 of the Austin City Charter which prohibits the payment of any money to any person, firm or corporation who is in arrears to the City for taxes, and of §2-8-3 of the Austin City Code concerning the right of the City to offset indebtedness owed the City.
- G. Payment will be made by check unless the parties mutually agree to payment by credit card or electronic transfer of funds. The Contractor agrees that there shall be no additional charges, surcharges, or penalties to the City for payments made by credit card or electronic funds transfer.
- H. The awarding or continuation of this Contract is dependent upon the availability of funding. The City's payment obligations are payable only and solely from funds Appropriated and available for this Contract. The absence of Appropriated or other lawfully available funds shall render the Contract null and void to the extent funds are not Appropriated or available and any deliverables delivered but unpaid shall be returned to the Contractor. The City shall provide the Contractor written notice of the failure of the City to make an adequate Appropriation for any fiscal year to pay the amounts due under the Contract, or the reduction of any Appropriation to an amount



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insufficient to permit the City to pay its obligations under the Contract. In the event of non or inadequate appropriation of funds, there will be no penalty nor removal fees charged to the City.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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**8. FINAL PAYMENT AND CLOSE-OUT.**

The making and acceptance of final payment will constitute:

- i. a waiver of all claims by the City against the Contractor, except claims (1) which have been previously asserted in writing and not yet settled, (2) arising from defective work appearing after final inspection, (3) arising from failure of the Contractor to comply with the Contract or the terms of any warranty specified herein, (4) arising from the Contractor's continuing obligations under the Contract, including but not limited to indemnity and warranty obligations, or (5) arising under the City's right to audit; and
- ii. a waiver of all claims by the Contractor against the City other than those previously asserted in writing and not yet settled.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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**9. RIGHT TO AUDIT.**

- A. The Contractor agrees that the representatives of the Office of the City Auditor or other authorized representatives of the City shall have access to, and the right to audit, examine, or reproduce, any and all records of the Contractor related to the performance under this Contract. The Contractor shall retain all such records for a period of three (3) years after final payment on this Contract or until all audit and litigation matters that the City has brought to the attention of the Contractor are resolved, whichever is longer. The Contractor agrees to refund to the City any overpayments disclosed by any such audit.
- B. The Contractor shall include section a. above in all subcontractor agreements entered into in connection with this Contract.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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**10. SUBCONTRACTORS**

- A. If the Contractor identified Subcontractors in an MBE/WBE Program Compliance Plan or a No Goals Utilization Plan, the Contractor shall comply with the provisions of Chapters 2-9A, 2-9B, 2-9C, and 2-9D, as applicable, of the Austin City Code and the terms of the Compliance Plan as approved by the City (the "Plan"). The Contractor shall not initially employ any Subcontractor

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except as provided in the Contractor's Plan. The Contractor shall not substitute any Subcontractor identified in the Plan, unless the substitute has been accepted by the City in writing in accordance with the provisions of Chapters 2-9A, 2-9B, 2-9C and 2-9D, as applicable. No acceptance by the City of any Subcontractor shall constitute a waiver of any rights or remedies of the City with respect to defective deliverables provided by a Subcontractor. If a Plan has been approved, the Contractor is additionally required to submit a monthly Subcontract Awards and Expenditures Report to the Contract Manager and the Purchasing Office Contract Compliance Manager no later than the tenth calendar day of each month.

- B. Work performed for the Contractor by a Subcontractor shall be pursuant to a written contract between the Contractor and Subcontractor. The terms of the subcontract may not conflict with the terms of the Contract, and shall contain provisions that:
- i. require that all deliverables to be provided by the Subcontractor be provided in strict accordance with the provisions, specifications and terms of the Contract;
  - ii. prohibit the Subcontractor from further subcontracting any portion of the Contract without the prior written consent of the City and the Contractor. The City may require, as a condition to such further subcontracting, that the Subcontractor post a payment bond in form, substance and amount acceptable to the City;
  - iii. require Subcontractors to submit all invoices and applications for payments, including any claims for additional payments, damages or otherwise, to the Contractor in sufficient time to enable the Contractor to include same with its invoice or application for payment to the City in accordance with the terms of the Contract;
  - iv. require that all Subcontractors obtain and maintain, throughout the term of their contract, insurance in the type and amounts specified for the Contractor, with the City being a named insured as its interest shall appear; and
  - v. require that the Subcontractor indemnify and hold the City harmless to the same extent as the Contractor is required to indemnify the City.
- C. The Contractor shall be fully responsible to the City for all acts and omissions of the Subcontractors just as the Contractor is responsible for the Contractor's own acts and omissions. Nothing in the Contract shall create for the benefit of any such Subcontractor any contractual relationship between the City and any such Subcontractor, nor shall it create any obligation on the part of the City to pay or to see to the payment of any moneys due any such Subcontractor except as may otherwise be required by law.
- D. The Contractor shall pay each Subcontractor its appropriate share of payments made to the Contractor not later than ten (10) calendar days after receipt of payment from the City.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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**11. WARRANTY-PRICE.**

- A. The Contractor warrants the prices quoted in the Offer are no higher than the Contractor's current prices on orders by others for like deliverables under similar terms of purchase.
- B. The Contractor certifies that the prices in the Offer have been arrived at independently without consultation, communication, or agreement for the purpose of restricting competition, as to any matter relating to such fees with any other firm or with any competitor.

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- C. In addition to any other remedy available, the City may deduct from any amounts owed to the Contractor, or otherwise recover, any amounts paid for items in excess of the Contractor's current prices on orders by others for like deliverables under similar terms of purchase.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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12. **WARRANTY – SERVICES.** The Contractor warrants and represents that all services to be provided the City under the Contract will be fully and timely performed in a good and workmanlike manner in accordance with generally accepted industry standards and practices, the terms, conditions, and covenants of the Contract, and all applicable Federal, State and local laws, rules or regulations.

- A. The Contractor may not limit, exclude or disclaim the foregoing warranty or any warranty implied by law, and any attempt to do so shall be without force or effect.

- B. Unless otherwise specified in the Contract, the warranty period shall be at least one year from the Acceptance Date. If during the warranty period, one or more of the above warranties are breached, the Contractor shall promptly upon receipt of demand perform the services again in accordance with above standard at no additional cost to the City. All costs incidental to such additional performance shall be borne by the Contractor. The City shall endeavor to give the Contractor written notice of the breach of warranty within thirty (30) calendar days of discovery of the breach warranty, but failure to give timely notice shall not impair the City's rights under this section.

- C. If the Contractor is unable or unwilling to perform its services in accordance with the above standard as required by the City, then in addition to any other available remedy, the City may reduce the amount of services it may be required to purchase under the Contract from the Contractor, and purchase conforming services from other sources. In such event, the Contractor shall pay to the City upon demand the increased cost, if any, incurred by the City to procure such services from another source.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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13. **ACCEPTANCE OF INCOMPLETE OR NON-CONFORMING DELIVERABLES.** If, instead of requiring immediate correction or removal and replacement of defective or non-conforming deliverables, the City prefers to accept it, the City may do so. The Contractor shall pay all claims, costs, losses and damages attributable to the City's evaluation of and determination to accept such defective or non-conforming deliverables. If any such acceptance occurs prior to final payment, the City may deduct such amounts as are necessary to compensate the City for the diminished value of the defective or non-conforming deliverables. If the acceptance occurs after final payment, such amount will be refunded to the City by the Contractor.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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14. **RIGHT TO ASSURANCE.** Whenever one party to the Contract in good faith has reason to question the other party's intent to perform, demand may be made to the other party for written assurance of the intent to perform. In the event that no assurance is given within the time specified after demand is made, the demanding party may treat this failure as an anticipatory repudiation of the Contract.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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15. **STOP WORK NOTICE.** The City may issue an immediate Stop Work Notice in the event the Contractor is observed performing in a manner that is in violation of Federal, State, or local guidelines, or in a manner that is determined by the City to be unsafe to either life or property. Upon notification, the Contractor will cease all work until notified by the City that the violation or unsafe condition has been corrected. The Contractor shall be liable for all costs incurred by the City as a result of the issuance of such Stop Work Notice.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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16. **DEFAULT.** The Contractor shall be in default under the Contract if the Contractor (a) fails to fully, timely and faithfully perform any of its material obligations under the Contract, (b) fails to provide adequate assurance of performance under Paragraph 14, (c) becomes insolvent or seeks relief under the bankruptcy laws of the United States or (d) makes a material misrepresentation in Contractor's Offer, or in any report or deliverable required to be submitted by the Contractor to the City.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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17. **TERMINATION FOR CAUSE.** In the event of a default by the Contractor, the City shall have the right to terminate the Contract for cause, by written notice effective ten (10) calendar days, unless otherwise specified, after the date of such notice, unless the Contractor, within such ten (10) day period, cures such default, or provides evidence sufficient to prove to the City's reasonable satisfaction that such default does not, in fact, exist. The City may place Contractor on probation for a specified period of time within which the Contractor must correct any non-compliance issues. Probation shall not normally be for a period of more than nine (9) months, however, it may be for a longer period, not to exceed one (1) year depending on the circumstances. If the City determines the Contractor has failed to perform satisfactorily during the probation period, the City may proceed with suspension. In the event of a default by the Contractor, the City may suspend or debar the Contractor in accordance with the "City of Austin Purchasing Office Probation, Suspension and Debarment Rules for Vendors" and remove the Contractor from the City's vendor list for up to five (5) years and any Offer submitted by the Contractor may be disqualified for up to five (5) years. In addition to any other remedy available under law or in equity, the City shall be entitled to recover all actual damages, costs, losses and expenses, incurred by the City as a result of the Contractor's default, including, without limitation, cost of cover,



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reasonable attorneys' fees, court costs, and prejudgment and post-judgment interest at the maximum lawful rate. All rights and remedies under the Contract are cumulative and are not exclusive of any other right or remedy provided by law.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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18. **TERMINATION WITHOUT CAUSE.** The City shall have the right to terminate the Contract, in whole or in part, without cause any time upon thirty (30) calendar days prior written notice. Upon receipt of a notice of termination, the Contractor shall promptly cease all further work pursuant to the Contract, with such exceptions, if any, specified in the notice of termination. The City shall pay the Contractor, to the extent of funds Appropriated or otherwise legally available for such purposes, for all goods delivered and services performed and obligations incurred prior to the date of termination in accordance with the terms hereof.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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19. **FRAUD.** Fraudulent statements by the Contractor on any Offer or in any report or deliverable required to be submitted by the Contractor to the City shall be grounds for the termination of the Contract for cause by the City and may result in legal action.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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20. **DELAYS.**

- A. The City may delay scheduled delivery or other due dates by written notice to the Contractor if the City deems it is in its best interest. If such delay causes an increase in the cost of the work under the Contract, the City and the Contractor shall negotiate an equitable adjustment for costs incurred by the Contractor in the Contract price and execute an amendment to the Contract. The Contractor must assert its right to an adjustment within thirty (30) calendar days from the date of receipt of the notice of delay. Failure to agree on any adjusted price shall be handled under the Dispute Resolution process specified in paragraph 38. However, nothing in this provision shall excuse the Contractor from delaying the delivery as notified.
- B. Neither party shall be liable for any default or delay in the performance of its obligations under this Contract if, while and to the extent such default or delay is caused by acts of God, fire, riots, civil commotion, labor disruptions, sabotage, sovereign conduct, or any other cause beyond the reasonable control of such party. In the event of default or delay in contract performance due to any of the foregoing causes, then the time for completion of the services will be extended; provided, however, in such an event, a conference will be held within three (3) business days to establish a mutually agreeable period of time reasonably necessary to overcome the effect of such failure to perform.



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☐ Accepted as written

☐ Not Accepted as written. See comments below

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**21. INDEMNITY.**

**A. Definitions:**

- i. "Indemnified Claims" shall include any and all claims, demands, suits, causes of action, judgments and liability of every character, type or description, including all reasonable costs and expenses of litigation, mediation or other alternate dispute resolution mechanism, including attorney and other professional fees for:
  - (1) damage to or loss of the property of any person (including, but not limited to the City, the Contractor, their respective agents, officers, employees and subcontractors; the officers, agents, and employees of such subcontractors; and third parties); and/or
  - (2) death, bodily injury, illness, disease, worker's compensation, loss of services, or loss of income or wages to any person (including but not limited to the agents, officers and employees of the City, the Contractor, the Contractor's subcontractors, and third parties).
- ii. "Fault" shall include the sale of defective or non-conforming deliverables, negligence, willful misconduct, or a breach of any legally imposed strict liability standard.

- B. THE CONTRACTOR SHALL DEFEND (AT THE OPTION OF THE CITY), INDEMNIFY, AND HOLD THE CITY, ITS SUCCESSORS, ASSIGNS, OFFICERS, EMPLOYEES AND ELECTED OFFICIALS HARMLESS FROM AND AGAINST ALL INDEMNIFIED CLAIMS DIRECTLY ARISING OUT OF, INCIDENT TO, CONCERNING OR RESULTING FROM THE FAULT OF THE CONTRACTOR, OR THE CONTRACTOR'S AGENTS, EMPLOYEES OR SUBCONTRACTORS, IN THE PERFORMANCE OF THE CONTRACTOR'S OBLIGATIONS UNDER THE CONTRACT. NOTHING HEREIN SHALL BE DEEMED TO LIMIT THE RIGHTS OF THE CITY OR THE CONTRACTOR (INCLUDING, BUT NOT LIMITED TO, THE RIGHT TO SEEK CONTRIBUTION) AGAINST ANY THIRD PARTY WHO MAY BE LIABLE FOR AN INDEMNIFIED CLAIM.**

☐ Accepted as written

☐ Not Accepted as written. See comments below

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**22. INSURANCE.** (Reference Section 0400 for specific coverage requirements). The following insurance requirements apply (Revised 6/01/98)

**A. General Requirements.**

- i. The Contractor shall at a minimum carry insurance in the types and amounts indicated in Section 0400, Supplemental Purchase Provisions, for the duration of the Contract, including extension options and hold over periods, and during any warranty period.
- ii. The Contractor shall provide Certificates of Insurance with the coverages and endorsements required in Section 0400, Supplemental Purchase Provisions, to the City as verification of coverage prior to contract execution and within fourteen (14) calendar days after written request from the City. Failure to provide the required Certificate of Insurance

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may subject the Offer to disqualification from consideration for award. The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or hold over period is exercised, as verification of continuing coverage.

- iii. The Contractor shall not commence work until the required insurance is obtained and until such insurance has been reviewed by the City. Approval of insurance by the City shall not relieve or decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.
- iv. The Contractor must submit certificates of insurance to the City for all subcontractors prior to the subcontractors commencing work on the project.
- v. The Contractor's and all subcontractors' insurance coverage shall be written by companies licensed to do business in the State of Texas at the time the policies are issued and shall be written by companies with A.M. Best ratings of B+VII or better. The City will accept workers' compensation coverage written by the Texas Workers' Compensation Insurance Fund.
- vi. The "other" insurance clause shall not apply to the City where the City is an additional insured shown on any policy. It is intended that policies required in the Contract, covering both the City and the Contractor, shall be considered primary coverage as applicable.
- viii. If insurance policies are not written for amounts specified in Section 0400, Supplemental Purchase Provisions, the Contractor shall carry Umbrella or Excess Liability Insurance for any differences in amounts specified. If Excess Liability Insurance is provided, it shall follow the form of the primary coverage.
- ix. The City shall be entitled, upon request, at an agreed upon location, and without expense, to review certified copies of policies and endorsements thereto and may make any reasonable requests for deletion or revision or modification of particular policy terms, conditions, limitations, or exclusions except where policy provisions are established by law or regulations binding upon either of the parties hereto or the underwriter on any such policies.
- x. The City reserves the right to review the insurance requirements set forth during the effective period of the Contract and to make reasonable adjustments to insurance coverage, limits, and exclusions when deemed necessary and prudent by the City based upon changes in statutory law, court decisions, the claims history of the industry or financial condition of the insurance company as well as the Contractor.
- xi. The Contractor shall not cause any insurance to be canceled nor permit any insurance to lapse during the term of the Contract or as required in the Contract.
- xii. The Contractor shall be responsible for premiums, deductibles and self-insured retentions, if any, stated in policies. All deductibles or self-insured retentions shall be disclosed on the Certificate of Insurance.
- xiii. The Contractor shall endeavor to provide the City thirty (30) calendar days' written notice of erosion of the aggregate limits below occurrence limits for all applicable coverages indicated within the Contract.
- xiv. The insurance coverages specified in Section 0400, Supplemental Purchase Provisions, are required minimums and are not intended to limit the responsibility or liability of the Contractor.

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**B. Specific Coverage Requirements:** Specific insurance requirements are contained in Section 0400, Supplemental Purchase Provisions

- i. Worker's Compensation and Employers' Liability Insurance. Coverage shall be consistent with statutory benefits outlined in the Texas Worker's Compensation Act (Section 401). The minimum policy limits for Employer's Liability are \$100,000 bodily injury each accident, \$500,000 bodily injury by disease policy limit and \$100,000 bodily injury by disease each employee.
  - (1) The Contractor's policy shall apply to the State of Texas and include these endorsements in favor of the City of Austin:
    - (a) Waiver of Subrogation, Form WC 420304, or equivalent coverage
    - (b) Thirty (30) days Notice of Cancellation, Form WC 420601, or equivalent coverage
- ii. Commercial General Liability Insurance. The minimum bodily injury and property damage per occurrence are \$500,000 for coverages A (Bodily Injury and Property Damage) and B (Personal and Advertising Injuries).
  - (1) The policy shall contain the following provisions:
    - (a) Blanket contractual liability coverage for liability assumed under the Contract and all other Contracts related to the project.
    - (b) Independent Contractor's Coverage.
    - (c) Products/Completed Operations Liability for the duration of the warranty period.
    - (d) If the project involves digging or drilling provisions must be included that provide Explosion, Collapse, and Underground Coverage (X,C,U).
  - (2) The policy shall also include these endorsements in favor of the City of Austin:
    - (a) Waiver of Subrogation, Endorsement CG 2404, or equivalent coverage
    - (b) Thirty (30) days Notice of Cancellation, Endorsement CG 0205, or equivalent coverage
    - (c) The City of Austin listed as an additional insured, Endorsement CG 2010, or equivalent coverage
- iii. Business Automobile Liability Insurance. The Contractor shall provide coverage for all owned, non-owned and hired vehicles with a minimum combined single limit of \$500,000 per occurrence for bodily injury and property damage. Alternate acceptable limits are \$250,000 bodily injury per person, \$500,000 bodily injury per occurrence and at least \$100,000 property damage liability per accident.
  - (1) The policy shall include these endorsements in favor of the City of Austin:
    - (a) Waiver of Subrogation, Endorsement TE 2046A, or equivalent coverage
    - (b) Thirty (30) days Notice of Cancellation, Endorsement TE 0202A, or equivalent coverage
    - (c) The City of Austin listed as an additional insured, Endorsement TE 9901B, or equivalent coverage.
- iv. Professional Liability Insurance. The Contractor shall provide coverage, at a minimum limit of \$1,000,000 per claim, to pay on behalf of the assured all sums which the assured shall become legally obligated to pay as damages by reason of any negligent act, error, or omission arising out of the performance of professional services under this Agreement.

If coverage is written on a claims-made basis, the retroactive date shall be prior to or coincident with the date of the Contract and the certificate of insurance shall state that the coverage is claims-made and indicate the retroactive date. This coverage shall be continuous and will be provided for 24 months following the completion of the contract.

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C. **Certificate.** The following statement must be shown on the Certificate of Insurance:

"The City of Austin is an Additional Insured on the general liability and the auto liability policies. A Waiver of Subrogation is issued in favor of the City of Austin for general liability, auto liability and workers compensation policies."

☐ Accepted as written

☐ Not Accepted as written. See comments below

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23. **ELECTRONIC IMAGES.** The City reserves the right to capture electronic images of contractor employees or sub-contractors delivering this program for use in internal communications and marketing of Benefits Programs to City employees and retirees. Marketing may consist of, brochures, benefit materials, internal newsletters, and emails which may be copied, distributed, and transmitted via the City's intranet. Contractor hereby releases and holds the City harmless from and against any liability or claim for damages of any kind for the use as specified above.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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24. **CLAIMS.** If any claim, demand, suit, or other action is asserted against the Contractor which arises under or concerns the Contract, or which could have a material adverse affect on the Contractor's ability to perform thereunder, the Contractor shall give written notice thereof to the City within ten (10) calendar days after receipt of notice by the Contractor. Such notice to the City shall state the date of notification of any such claim, demand, suit, or other action; the names and addresses of the claimant(s); the basis thereof; and the name of each person against whom such claim is being asserted. Such notice shall be delivered personally or by mail and shall be sent to the City and to the Austin City Attorney. Personal delivery to the City Attorney shall be to City Hall, 301 West 2<sup>nd</sup> Street, 4<sup>th</sup> Floor, Austin, Texas 78701, and mail delivery shall be to P.O. Box 1088, Austin, Texas 78767.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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25. **NOTICES.** Unless otherwise specified, all notices, requests, or other communications required or appropriate to be given under the Contract shall be in writing and shall be deemed delivered three (3) business days after postmarked if sent by U.S. Postal Service Certified or Registered Mail, Return Receipt Requested. Notices delivered by other means shall be deemed delivered upon receipt by the addressee. Routine communications may be made by first class mail, telefax, or other commercially accepted means. Notices to the Contractor shall be sent to the address specified in the Contractor's Offer, or at such other address as a party may notify the other in writing. Notices to the City shall be addressed to the City at P.O. Box 1088, Austin, Texas 78767 and marked to the attention of the Contract Administrator.

☐ Accepted as written

☐ Not Accepted as written. See comments below



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26. **RIGHTS TO BID, PROPOSAL AND CONTRACTUAL MATERIAL.** All material submitted by the Contractor to the City shall become property of the City upon receipt. Any portions of such material claimed by the Contractor to be proprietary must be clearly marked as such. Determination of the public nature of the material is subject to the Texas Public Information Act, Chapter 552, Texas Government Code.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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27. **NO WARRANTY BY CITY AGAINST INFRINGEMENTS.** The Contractor represents and warrants to the City that: (i) the Contractor shall provide the City good and indefeasible title to the deliverables and (ii) the deliverables supplied by the Contractor in accordance with the specifications in the Contract will not infringe, directly or contributorily, any patent, trademark, copyright, trade secret, or any other intellectual property right of any kind of any third party; that no claims have been made by any person or entity with respect to the ownership or operation of the deliverables and the Contractor does not know of any valid basis for any such claims. The Contractor shall, at its sole expense, defend, indemnify, and hold the City harmless from and against all liability, damages, and costs (including court costs and reasonable fees of attorneys and other professionals) arising out of or resulting from: (i) any claim that the City's exercise anywhere in the world of the rights associated with the City's ownership, and if applicable, license rights, and its use of the deliverables infringes the intellectual property rights of any third party; or (ii) the Contractor's breach of any of Contractor's representations or warranties stated in this Contract. In the event of any such claim, the City shall have the right to monitor such claim or at its option engage its own separate counsel to act as co-counsel on the City's behalf. Further, Contractor agrees that the City's specifications regarding the deliverables shall in no way diminish Contractor's warranties or obligations under this paragraph and the City makes no warranty that the production, development, or delivery of such deliverables will not impact such warranties of Contractor.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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28. **CONFIDENTIALITY.** In order to provide the deliverables to the City, Contractor may require access to certain of the City's and/or its licensors' confidential information (including inventions, employee information, trade secrets, confidential know-how, confidential business information, and other information which the City or its licensors consider confidential) (collectively, "Confidential Information"). Contractor acknowledges and agrees that the Confidential Information is the valuable property of the City and/or its licensors and any unauthorized use, disclosure, dissemination, or other release of the Confidential Information will substantially injure the City and/or its licensors. The Contractor (including its employees, subcontractors, agents, or representatives) agrees that it will maintain the Confidential Information in strict confidence and shall not disclose, disseminate, copy, divulge, recreate, or otherwise use the Confidential Information without the prior written consent of the City or in a manner not expressly permitted under this Contract, unless the Confidential Information is required to be disclosed by law or an order of any court or other governmental authority with proper



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jurisdiction, provided the Contractor promptly notifies the City before disclosing such information so as to permit the City reasonable time to seek an appropriate protective order. The Contractor agrees to use protective measures no less stringent than the Contractor uses within its own business to protect its own most valuable information, which protective measures shall under all circumstances be at least reasonable measures to ensure the continued confidentiality of the Confidential Information.

☐ Accepted as written ☐ Not Accepted as written. See comments below

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29. **ADVERTISING.** The Contractor shall not advertise or publish, without the City's prior consent, the fact that the City has entered into the Contract, except to the extent required by law.

☐ Accepted as written ☐ Not Accepted as written. See comments below

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30. **NO CONTINGENT FEES.** The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the Contract upon any agreement or understanding for commission, percentage, brokerage, or contingent fee, excepting bona fide employees of bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the City shall have the right, in addition to any other remedy available, to cancel the Contract without liability and to deduct from any amounts owed to the Contractor, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee.

☐ Accepted as written ☐ Not Accepted as written. See comments below

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31. **GRATUITIES.** The City may, by written notice to the Contractor, cancel the Contract without liability if it is determined by the City that gratuities were offered or given by the Contractor or any agent or representative of the Contractor to any officer or employee of the City of Austin with a view toward securing the Contract or securing favorable treatment with respect to the awarding or amending or the making of any determinations with respect to the performing of such contract. In the event the Contract is canceled by the City pursuant to this provision, the City shall be entitled, in addition to any other rights and remedies, to recover or withhold the amount of the cost incurred by the Contractor in providing such gratuities.

☐ Accepted as written ☐ Not Accepted as written. See comments below

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32. **PROHIBITION AGAINST PERSONAL INTEREST IN CONTRACTS.** No officer, employee, independent consultant, or elected official of the City who is involved in the development, evaluation,

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or decision-making process of the performance of any solicitation shall have a financial interest, direct or indirect, in the Contract resulting from that solicitation. Any willful violation of this section shall constitute impropriety in office, and any officer or employee guilty thereof shall be subject to disciplinary action up to and including dismissal. Any violation of this provision, with the knowledge, expressed or implied, of the Contractor shall render the Contract voidable by the City.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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33. **INDEPENDENT CONTRACTOR.** The Contract shall not be construed as creating an employer/employee relationship, a partnership, or a joint venture. The Contractor's services shall be those of an independent contractor. The Contractor agrees and understands that the Contract does not grant any rights or privileges established for employees of the City.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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34. **ASSIGNMENT-DELEGATION.** The Contract shall be binding upon and enure to the benefit of the City and the Contractor and their respective successors and assigns, provided however, that no right or interest in the Contract shall be assigned and no obligation shall be delegated by the Contractor without the prior written consent of the City. Any attempted assignment or delegation by the Contractor shall be void unless made in conformity with this paragraph. The Contract is not intended to confer rights or benefits on any person, firm or entity not a party hereto; it being the intention of the parties that there be no third party beneficiaries to the Contract.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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35. **WAIVER.** No claim or right arising out of a breach of the Contract can be discharged in whole or in part by a waiver or renunciation of the claim or right unless the waiver or renunciation is supported by consideration and is in writing signed by the aggrieved party. No waiver by either the Contractor or the City of any one or more events of default by the other party shall operate as, or be construed to be, a permanent waiver of any rights or obligations under the Contract, or an express or implied acceptance of any other existing or future default or defaults, whether of a similar or different character.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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36. **MODIFICATIONS.** The Contract can be modified or amended only by a writing signed by both parties. No pre-printed or similar terms on any Contractor invoice, order or other document shall have any force or effect to change the terms, covenants, and conditions of the Contract.

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☐ Accepted as written

☐ Not Accepted as written. See comments below

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37. **INTERPRETATION.** The Contract is intended by the parties as a final, complete and exclusive statement of the terms of their agreement. No course of prior dealing between the parties or course of performance or usage of the trade shall be relevant to supplement or explain any term used in the Contract. Although the Contract may have been substantially drafted by one party, it is the intent of the parties that all provisions be construed in a manner to be fair to both parties, reading no provisions more strictly against one party or the other. Whenever a term defined by the Uniform Commercial Code, as enacted by the State of Texas, is used in the Contract, the UCC definition shall control, unless otherwise defined in the Contract.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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38. **DISPUTE RESOLUTION**

- A. If a dispute arises out of or relates to the Contract, or the breach thereof, the parties agree to negotiate prior to prosecuting a suit for damages. However, this section does not prohibit the filing of a lawsuit to toll the running of a statute of limitations or to seek injunctive relief. Either party may make a written request for a meeting between representatives of each party within fourteen (14) calendar days after receipt of the request or such later period as agreed by the parties. Each party shall include, at a minimum, one (1) senior level individual with decision-making authority regarding the dispute. The purpose of this and any subsequent meeting is to attempt in good faith to negotiate a resolution of the dispute. If, within thirty (30) calendar days after such meeting, the parties have not succeeded in negotiating a resolution of the dispute, they will proceed directly to mediation as described below. Negotiation may be waived by a written agreement signed by both parties, in which event the parties may proceed directly to mediation as described below.
- B. If the efforts to resolve the dispute through negotiation fail, or the parties waive the negotiation process, the parties may select, within thirty (30) calendar days, a mediator trained in mediation skills to assist with resolution of the dispute. Should they choose this option, the City and the Contractor agree to act in good faith in the selection of the mediator and to give consideration to qualified individuals nominated to act as mediator. Nothing in the Contract prevents the parties from relying on the skills of a person who is trained in the subject matter of the dispute or a contract interpretation expert. If the parties fail to agree on a mediator within thirty (30) calendar days of initiation of the mediation process, the mediator shall be selected by the Travis County Dispute Resolution Center (DRC). The parties agree to participate in mediation in good faith for up to thirty (30) calendar days from the date of the first mediation session. The City and the Contractor will share the mediator's fees equally and the parties will bear their own costs of participation such as fees for any consultants or attorneys they may utilize to represent them or otherwise assist them in the mediation.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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39. **JURISDICTION AND VENUE.** The Contract is made under and shall be governed by the laws of the State of Texas, including, when applicable, the Uniform Commercial Code as adopted in Texas, V.T.C.A., Bus. & Comm. Code, Chapter 1, excluding any rule or principle that would refer to and apply the substantive law of another state or jurisdiction. All issues arising from this Contract shall be resolved in the courts of Travis County, Texas and the parties agree to submit to the exclusive personal jurisdiction of such courts. The foregoing, however, shall not be construed or interpreted to limit or restrict the right or ability of the City to seek and secure injunctive relief from any competent authority as contemplated herein.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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40. **INVALIDITY.** The invalidity, illegality, or unenforceability of any provision of the Contract shall in no way affect the validity or enforceability of any other portion or provision of the Contract. Any void provision shall be deemed severed from the Contract and the balance of the Contract shall be construed and enforced as if the Contract did not contain the particular portion or provision held to be void. The parties further agree to reform the Contract to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. The provisions of this section shall not prevent this entire Contract from being void should a provision which is the essence of the Contract be determined to be void.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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41. **SURVIVABILITY OF OBLIGATIONS.** All provisions of the Contract that impose continuing obligations on the parties, including but not limited to the warranty, indemnity, and confidentiality obligations of the parties, shall survive the expiration or termination of the Contract.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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42. **LIVING WAGES AND BENEFITS (applicable to procurements involving the use of labor).**

- A. In order to help assure low employee turnover, quality services, and to reduce costs for health care provided to uninsured citizens, the Austin City Council is committed to ensuring fair compensation for City employees and those persons employed elsewhere in Austin. This commitment has been supported by actions to establish a "living wage" and affordable health care protection. Currently, the minimum wage for City employees is \$11.00 per hour. This minimum wage is required for any Contractor employee directly assigned to this City Contract, unless Published Wage Rates are included in this solicitation. In addition, the City may stipulate higher wage rates in certain solicitations in order to assure quality and continuity of service.



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- B. Additionally, the City provides health insurance for its employees, and for a nominal rate, employees may obtain coverage for their family members. Contractors must offer health insurance with optional family coverage for all Contractor employees directly assigned to this contract. Proof of the health care plan shall be provided prior to award of a Contract. In addition, an insurance certificate for Workers' Compensation Insurance Coverage must be provided if required by the solicitation.
- C. The City requires Contractors submitting Offers on this Contract to provide a signed certification **(see the Living Wages and Benefits Contractor Certification included in the Solicitation)** with their Offer certifying that all employees directly assigned to this City Contract will be paid a minimum living wage equal to or greater than \$11.00 per hour and are offered a health care plan. The certification shall include a list of all employees directly assigned to providing services under the resultant contract including their name and job title. The list shall be updated and provided to the City as necessary throughout the term of the Contract.
- D. The Contractor shall maintain throughout the term of the resultant contract basic employment and wage information for each employee as required by the Fair Labor Standards Act (FLSA). Basic employment records shall at a minimum include:
- i. employee's full name, as used for social security purposes, and on the same record, the employee's identifying symbol or number if such is used in place of name on any time, work, or payroll records;
  - ii. time and date of week when employee's workweek begins;
  - iii. hours worked each day and total hours worked each workweek;
  - iv. basis on which employee's wages are paid;
  - v. regular hourly pay rate;
  - vi. total daily or weekly straight-time earnings;
  - vii. total overtime earnings for the workweek;
  - viii. all additions to or deductions from the employee's wages;
  - ix. total wages paid each pay period, and
  - x. date of payment and the pay period covered by the payment.
- E. The Contractor shall provide with the first invoice and as requested by the Department's Contract Manager, individual Employee Certifications **(see the Living Wages and Benefits Employee Certification included in the Solicitation)** for all employees directly assigned to the contract containing:
- i. the employee's name and job title;
  - ii. a statement certifying that the employee is paid at a rate equal to or greater than the Living Wage of \$11.00 per hour;
  - iii. a statement certifying that the employee is offered a health care plan with optional family coverage.

Employee Certifications shall be signed by each employee directly assigned to the contract.

- A. Contractor shall submit employee certifications quarterly with the respective invoice to verify that employees are paid the Living Wage throughout the term of the contract.
- B. The Department's Contract Manager will periodically review the employee data submitted by the Contractor to verify compliance with this Living Wage provision. The City retains the right to review employee records identified in paragraph D above to verify compliance with this provision.



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☐ Accepted as written ☐ Not Accepted as written. See comments below

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43. **HOLD OVER AT THE CITY'S OPTION.** Upon expiration of the Initial Term or a renewal or Optional Period, or if requested in writing by the City, Contractor agrees to hold over under the terms and conditions of this Contract for such a period of time as is reasonably necessary to re-solicit and/or complete the City's plan or program (not to exceed 120 days unless mutually agreed on in writing).

☐ Accepted as written ☐ Not Accepted as written. See comments below

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44. **ORDER OF PRECEDENCE.** The documents listed below, taken together, contain the obligations, project specifications, terms and conditions of the Agreement between the parties. In the event of a conflict between any of the provisions of a resultant Agreement(s), any inconsistency shall be resolved by giving precedence to the following order:

- 44.1 Administrative Services Agreement and exhibits,
- 44.2 City's Request for Proposal,
- 44.3 Contractor(s)'s proposal which includes any Clarifications and Best and Final Offer.

☐ Accepted as written ☐ Not Accepted as written. See comments below

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45. **SIGNIFICANT EVENT:** The Contractor shall immediately notify the Contract Manager of any current or prospective "significant event" on an ongoing basis. All notifications shall be submitted in writing to Contract Manager. As used in this provision, a "significant event" is any occurrence or anticipated occurrence which might reasonably be expected to have a material effect upon the Contractor's ability to meet its contractual obligations. Significant events may include but not be limited to the following:

- disposal of major assets;
- any major computer software conversion, enhancement or modification to the operating systems, security systems, and application software, used in the performance of this Contract;
- any significant termination or addition of provider contracts;
- Contractor's insolvency or the imposition of, or notice of the intent to impose, a receivership, conservatorship or special regulatory monitoring, or any bankruptcy proceedings, voluntary or involuntary, or reorganization proceedings;
- strikes, slow-downs or substantial impairment of the Contractor's facilities or of other facilities used by the Contractor in the performance of this contract;
- reorganization, reduction and/or relocation in key personnel such as, but not limited to, customer service representatives or claims adjusters;

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- known or anticipated sale, merger, or acquisition;
- known, planned or anticipated stock sales;
- any litigation filed by a member against the Contractor; or
- significant change in market share or product focus.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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**46. EQUAL OPPORTUNITY**

**46.1 Equal Employment Opportunity:** No Contractor or Contractor's agent, shall engage in any discriminatory employment practice as defined in Chapter 5-4 of the City Code. No Bid submitted to the City shall be considered, nor any Purchase Order issued, or any Contract awarded by the City unless the Contractor has executed and filed with the City Purchasing Office a current Non-Discrimination Certification. The Contractor shall sign and return the Non-Discrimination Certification attached to the Solicitation and shall provide the policy within fourteen (14) calendar days after written request from the City. Non-compliance with Chapter 5-4 of the City Code may result in sanctions, including termination of the contract and the Contractor's suspension or debarment from participation on future City contracts until deemed compliant with Chapter 5-4.

**46.2 Americans With Disabilities Act (ADA) Compliance:** No Contractor, or Contractor's agent shall engage in any discriminatory employment practice against individuals with disabilities as defined in the ADA.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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**47. MINORITY AND WOMEN OWNED BUSINESS ENTERPRISE (MBE/WBE) PROCUREMENT PROGRAM**

**47.1** All City procurements are subject to the City's Minority-Owned and Women-Owned Business Enterprise Procurement Program found at Chapters 2-9A, 2-9B, 2-9C and 2-9D of the City Code. The Program provides Minority-Owned and Women-Owned Business Enterprises (MBEs/WBEs) full opportunity to participate in all City contracts.

**47.2** If any service is needed to perform the Contract and the Contractor does not perform the service with its own workforce or if supplies or materials are required and the Contractor does not have the supplies or materials in its inventory, the Contractor shall contact the Department of Small and Minority Business Resources (DSMBR) at (512) 974-7600 to obtain a list of MBE and WBE firms available to perform the service or provide the supplies or materials. The Contractor must also make a Good Faith Effort to use available MBE and WBE firms. Good Faith Efforts include but are not limited to contacting the listed MBE and WBE firms to solicit their interest in performing on the Contract; using MBE and

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WBE firms that have shown an interest, meet qualifications, and are competitive in the market; and documenting the results of the contacts.

☐ Accepted as written

☐ Not Accepted as written See comments below

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**48. NON-SOLICITATION**

48.1 During the term of the Contract, and for a period of six (6) months following termination of the Contract, the Contractor, its affiliate, or its agent shall not hire, employ, or solicit for employment or consulting services, a City employee employed in a technical job classification in a City department that engages or uses the services of a Contractor employee.

48.2 In the event that a breach of this paragraph occurs the Contractor shall pay liquidated damages to the City in an amount equal to the greater of: (i) one (1) year of the employee's annual compensation; or (ii) \_\_\_\_\_ percent of the employee's annual compensation while employed by the City. The Contractor shall reimburse the City for any fees and expenses incurred in the enforcement of this provision.

48.3 During the term of the Contract, and for a period of six (6) months following termination of the Contract, a department that engages the services of the Contractor or uses the services of a Contractor employee will not hire a Contractor employee while the employee is performing work under a contract with the City unless the City first obtains the Contractor's consent.

48.4 In the event that a breach of this) occurs, the City shall pay liquidated damages to the Contractor in an amount equal to the greater of: (i) one (1) year of the employee's annual compensation or (ii) \_\_\_\_\_ percent of the employee's annual compensation while employed by the Contractor.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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- 49. PERFORMANCE BOND.** The Contractor shall provide a Performance Bond in an amount equal to one hundred percent (100 %) of the Agreement amount within fourteen (14) calendar days of notice of award. The Performance Bond serves as security for the faithful performance of all of the Contractor's obligations under the Agreement. The Performance Bond shall be issued by a solvent company authorized to do business in the State of Texas, and shall meet any other requirements established by law or by the City pursuant to applicable law. The Surety must obtain reinsurance for any portion of the risk that exceeds ten percent (10%) of the Surety's capital and surplus. For bonds exceeding \$100,000, the Surety must also hold a certificate of authority from the U.S. Secretary of the Treasury or have obtained reinsurance from a reinsurer that is authorized as a reinsurer in Texas and holds a certificate of authority from the U.S. Secretary of the Treasury. The Performance Bond shall remain in effect throughout the term of the Agreement and shall be renewed for each respective extension.

☐ Accepted as written

☐ Not Accepted as written. See comments below

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Authorized Signature

I have reviewed the information contained herein and indicated our acceptance or non acceptance of the terms. I understand that non acceptance of any term herein may cause my company's proposal to be deemed non-responsive.

Firm Name: \_\_\_\_\_

Authorized Representative (Type Name/Title) \_\_\_\_\_

Authorized Representative Signature: \_\_\_\_\_

Vendor Code: \_\_\_\_\_

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**Section 0640 HIPAA Business Associate Agreement**

The City of Austin ("City") and \_\_\_\_\_ ("Contractor") hereby agree that the following terms and conditions are made a part of the parties' Third Party Administration, to go into effect on January 1, 2013 (such contract, exhibits and attachments are collectively referred to herein as "Contract"), for all purposes. The parties acknowledge that this **Section 0640** is required by the federal Health Insurance Portability and Accountability Act of 1996 ("HIPAA").

The parties acknowledge and agree that Contractor, in performing its duties under the Contract, will receive individually identifiable protected health information as defined in Section 14 below (referred to as "Protected Health Information" or "PHI"), from City and from City's contractors or enrollees, and will create, receive or use PHI on the City's behalf. Contractor agrees to maintain the privacy and security of such PHI as required by all applicable laws and regulations, including but not limited to HIPAA and the privacy and security regulations adopted under HIPAA. Without limiting the foregoing, Contractor agrees to the following:

1. **Use of PHI:** Contractor shall not and shall ensure that its directors, officers, employees, contractors, and agents (referred to collectively as "Contractor's Agents") do not use PHI other than as expressly permitted by the Contract, or as required by law. Specifically, Contractor shall use PHI only for the following purposes: receive and process claims for payment for all eligible Plan participants; maintain claims history and patient profiles; maintain current eligibility data on all Plan participants; and for the proper management and administration of its internal business processes that relate to its responsibilities under the Contract, and to fulfill its legal responsibilities. In addition, Contractor agrees that it will not sell PHI, including patient or enrollee lists, nor use any PHI to engage in "marketing," as such term is defined in Section 164.501 of Title 45, U.S. Code of Federal Regulations. The term "marketing" includes, but is not limited to, the distribution of or mailing by Contractor or its affiliates of correspondence to City enrollees or their beneficiaries.

2. **Disclosure of PHI:**

- a. *Disclosure to Third Parties.* Contractor shall not and shall ensure that Contractor's Agents do not disclose PHI to any other person or entity (other than members of Contractor's workforce as specified in subsection b. of this Section), unless disclosure is required by law, and as approved by City in writing. Any such disclosure shall be made only upon the written agreement of the subcontractor to be bound by the provisions of the Contract, for the express benefit of Contractor and City.

To the extent that Contractor discloses PHI to a third party, Contractor must obtain, prior to making any disclosure:

1. reasonable assurances from such third party that PHI will be held confidential as provided in the Contract, and only disclosed as required by law or for the purposes for which it was disclosed to such third party; and



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2. an agreement from such third party to immediately notify Contractor of any breaches of the confidentiality of PHI, to the extent it has obtained knowledge of such breach.
  - b. *Disclosure to Workforce.* Contractor shall not disclose PHI to any member of its workforce unless Contractor has advised such person of Contractor's obligations under the Contract, and of the consequences for such person and for Contractor of violating them. Contractor shall take appropriate disciplinary action against any member of its workforce who uses or discloses PHI in contravention of this Contract.
3. **Safeguards:** Contractor shall implement all appropriate safeguards to prevent use or disclosure of PHI other than as permitted by the Contract. Contractor shall provide City with such information concerning the safeguards as City may from time to time request and shall, upon reasonable request, give City access for inspection and copying to Contractor's facilities used for the maintenance and processing of PHI, and to its books, records, practices, policies, and procedures concerning the use and disclosure of PHI. In addition, Contractor and Contractor's Agents shall comply with the minimum necessary requirements set forth in the HIPAA privacy regulations when using or disclosing PHI. Contractor also agrees to mitigate, to the extent possible, any harmful effects of an improper use or disclosure of PHI by Contractor in violation of the requirements of the Contract.
4. **Accounting of Disclosures:**
  - (a) Contractor shall maintain a record of all PHI disclosures made other than for the permitted purposes of the Contract, including the date of disclosure, the name and, if known, the address of the recipient of the PHI, a brief description of the PHI disclosed, and the purposes of the disclosures.
  - (b) Within ten (10) calendar days of notice by City to Contractor that City has received a request for an accounting of disclosures of PHI regarding an individual, Contractor shall make available to City such information as is in Contractor's possession and is required for City to make the accounting.
5. **Reporting of Disclosures of Protected Health Information:** Contractor shall, within five (5) business days (Monday - Friday) of becoming aware of a use or disclosure of PHI in violation of this Contract by Contractor or Contractor Agents, report such disclosure or use in writing to Don Ellison in the Employee Benefits Division of the City's Human Resources Department and describe remedial action taken or proposed to be taken with respect to such use or disclosure.
6. **Contracts by Third Parties:** Contractor shall enter into an agreement with any agent or subcontractor that will have access to PHI that is received from, or created or received by Contractor on behalf of City, in which such agent or subcontractor agrees to be bound by the same restrictions, terms, and conditions that apply to Contractor under this Contract.

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7. **Disclosure to U.S. Department of Health and Human Services:** Contractor shall make its internal practices, books and records, including policies and procedures, relating to the use and disclosures of PHI available to the Secretary of the United States Department of Health and Human Services, for purposes of determining compliance with HIPAA.
8. **Access by Individuals:** Within ten (10) calendar days of receipt of a request by City, Contractor shall permit any individual whose PHI is maintained by Contractor to have access to and to copy his or her PHI, in the format requested, unless it is not readily producible in such format, in which case it shall be produced in hard copy format. In the event any individual requests access to PHI held by Contractor directly from Contractor, Contractor shall, within two (2) days forward such request to City. Any denial of access to the PHI requested shall be the responsibility of City.
9. **Correction of PHI:** Contractor agrees to make any amendments to PHI that the City directs or agrees to under HIPAA. City shall provide Contractor with written instructions regarding any such amendment.
10. **Amendment:** Upon the enactment of any law or regulation affecting the use or disclosure of PHI, or the publication of any decision of a court of the United States or Texas relating to any such law, or the publication of any interpretive policy or opinion of any governmental agency charged with the enforcement of any such law or regulation, City may, by written notice to Contractor, amend this Contract in such manner as City determines necessary to comply with such law or regulation. If Contractor disagrees with any such amendment, it shall so notify City in writing within thirty (30) days of the date of the notice. If the parties are unable to agree on an amendment within thirty (30) days thereafter, either of them may terminate the Contract upon written notice to the other.
11. **Breach:** Without limiting the rights of the parties under the Contract, should Contractor breach any of its obligations under this Amendment, City may, at its option:
  - a. Exercise any of its rights of access and inspection under this Contract;
  - b. Provide Contractor with notice of the breach and an opportunity to cure such breach within thirty (30) calendar days of the notice of breach. If Contractor fails to cure the breach to City's satisfaction within such cure period, City may terminate the Contract by providing written notice to Contractor. If Contractor cures the breach within the cure period, City may require Contractor to submit to a plan of monitoring and reporting of uses and disclosures of PHI, as City may determine necessary to maintain compliance with this Amendment. Any such monitoring plan shall be made a part of the Contract;
  - c. Immediately terminate the Contract, with or without an opportunity to cure the breach; or
  - d. If termination is not feasible, report the breach to the Secretary of the United States

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Department of Health and Human Services.

City's remedies under this section and Contract shall be cumulative, and the exercise of any remedy shall not preclude the exercise of any other.

12. **Procedure Upon Termination.**

- (1) Except as provided in paragraph (2) below, upon termination of the Contract, for any reason, Contractor shall return or destroy all PHI received from City, or created or received by Contractor on behalf of City. This provision shall also apply to PHI that is in the possession of subcontractors or agents of Contractor. Contractor shall retain no copies of the PHI.
- (2) In the event that Contractor determines that returning or destroying the PHI is not feasible, Contractor shall provide to City written notification of the conditions that make return or destruction infeasible. Upon agreement by City that return or destruction of PHI is not feasible, Contractor shall extend the protections of this Contract to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Contractor maintains the PHI.

13. **Indemnification.** Contractor shall indemnify and hold harmless City from and against any and all costs, liabilities, losses, damages and expenses (including, but not limited to, reasonable attorneys' fees) resulting from any claim, lawsuit or proceeding brought by a third party against City and arising from or related to a breach or alleged breach by Contractor or Contractor's Agents of the obligations referenced herein. Contractor's obligation to indemnify shall survive the expiration or termination of the Contract.

14. **Definitions for Use in this Addendum:**

- (a) *Individually Identifiable Health Information* shall mean information that is a subset of health information, including demographic information collected from an individual, that:
  - (i) is created or received by a health care provider, health plan, employer, or healthcare clearinghouse; and
  - (ii) relates to the past, present, or future physical or mental health or condition of an individual; the provision of healthcare to an individual; or the past, present, or future payment for the provision of healthcare to an individual; and (a) identifies the individual, or (b) with respect to which there is a reasonable basis to believe the information can be used to identify the individual.
- (b) *Protected Health Information* shall mean Individually Identifiable Health Information that is (i) transmitted by electronic media; (ii) maintained in any medium constituting

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electronic media; or (iii) transmitted or maintained in any other form or medium.

**“CITY”**

**CITY OF AUSTIN, A Home Rule Municipality**

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

**“CONTRACTOR”**

\_\_\_\_\_  
Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

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**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Section 0500 Scope of Work**

**1.0 PURPOSE**

The City of Austin, hereinafter referred to as the "City," seeks responses to this Request for Proposal (RFP) from qualified companies who can provide the following services.

<b>Requested Services</b>	<b>Paragraph</b>	<b>Current Vendor</b>
Eligibility Administration	4.0	CompuSys/Erisa Group Inc.
COBRA, Continuation of Coverage for Domestic Partners, and Self-Pay Administration	5.0	CompuSys/Erisa Group Inc.
Self-Funded Dental Plan Claims Administration	6.0	CompuSys/Erisa Group Inc.
Flexible Benefits Claims Administration	7.0	CompuSys/Erisa Group Inc.

Proposer may submit a proposal for any or all services. The City may elect to award separate contracts for each service or combine services into one contract. However, the City prefers an integrated approach for all services. The term of the contract(s) will be a one-year initial period with six one-year extension options. The contract(s) will commence January 1, 2013 with implementation to begin no later than September 2012.

The City will accept proposals from insurance companies, insurance agents and brokers. Insurance companies are not required to have a broker represent them; the City will contract directly with the insurance company, not the agent/broker. However, if the City receives more than one proposal for any given insurance company, all proposals for that insurance company will be rejected.

**2.0 BACKGROUND**

The City operates on a fiscal year beginning October 1<sup>st</sup> through September 30<sup>th</sup>. The City's benefits plan year is January 1<sup>st</sup> through December 31<sup>st</sup>. The annual Open Enrollment begins mid-October and ends mid-November of each year.

The City provides access to benefit programs to the following:

- **Employees:** includes all eligible employees of the City and of the Affiliated Employers.
- **Retirees:** includes all eligible retirees and surviving spouses of the City and of the Affiliated Employers.
- **Affiliated Employers:** includes the City of Austin Employees' Retirement System, City of Austin Police Retirement System, and Austin Fire Fighters Relief and Retirement Fund.
- **Covered Persons:** includes all eligible employees, retirees, surviving spouses, eligible dependents, COBRA participants, Continuation of Coverage for Domestic Partners, and surviving family members of the City and of the Affiliated Employers.

Employees

Employees are currently offered the following benefits: medical, dental, vision, basic life, supplemental life, dependent life, short term disability, long term disability, prepaid legal, IRS Section 125 flexible benefit (FLEXTRA) Health Care and Dependent Care spending accounts, and a childcare assistance program. Refer to **Exhibit 1: 2012 Employee Benefits Guide**.

As of January 2012, approximately 11,200 Employees were eligible for benefits. 11,100 Employees and 15,000 dependents were enrolled in at least one benefit.



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Retirees

Retirees are currently offered the following benefits: medical, dental, vision and basic life. The City coordinates benefits with three Pension Systems. Refer to **Exhibit 2: Benefits Enrollment Guide for Retirees and Surviving Spouses**.

As of January 2012, approximately 5,300 Retirees were eligible for benefits. 3,800 Retirees and 2,000 dependents were enrolled in at least one benefit.

Exhibits

- Exhibit 1: 2012 Employee Benefits Guide
- Exhibit 2: 2012 Benefits Enrollment Guide for Retirees and Surviving Spouses
- Exhibit 3: Employee Benefits Deduction Codes
- Exhibit 4: Retiree Benefits Deduction Codes
- Exhibit 5: Payroll File Layout
- Exhibit 6: Annuity File Layout
- Exhibit 7: Summary Enrollment Data
- Exhibit 8: Employee Open Enrollment File Layout
- Exhibit 9: Retiree Open Enrollment File Layout
- Exhibit 10: 2012 Employee Dental Assistance Plan Document
- Exhibit 11: Employee Benefits Enrollment Form
- Exhibit 12: Retiree Benefits Enrollment Form

**3.0 GENERAL REQUIREMENTS FOR ALL REQUESTED SERVICES**

*Relates to all  
3 areas, admin.  
services*

- 3.1 Proposer will submit a proposal that includes all Covered Persons.
- 3.2 Cost Information
  - 3.2.1 The Contractor must provide either fee guarantees or fee caps (fees with a maximum percentage increase) for each extension option.
  - 3.2.2 The Contractor must guarantee fees regardless of enrollment per plan year.
  - 3.2.3 All required services included in this solicitation must be included in the quoted fee to the City unless otherwise notated, and must be inclusive of labor, materials, supplies, printing, travel, and all costs and fees including administrative burden for providing these services.
  - 3.2.4 The Contractor has the option to non-renew on an annual basis. Notice of non-renewal must be sent to the City by March 15<sup>th</sup> for the following contract period.
  - 3.2.5 All fees must be firm regardless of the Contractor receiving any or all services including any services referred to but not yet implemented.
- 3.3 Financial Information
  - 3.3.1 Currently, deposits and payments are made out of the City's zero balance account (ZBA) for the following administration services: 1) COBRA, Continuation of Coverage for Domestic Partners, and Self-Pay Administration, 2) Self-Funded Dental Plan Claims Administration, and

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- 3) Flexible Benefits Claims Administration services specific to the Childcare Assistance Program.
- 3.3.2 Currently, deposits and payments are made out of a separate bank account for the Flexible Benefits Claims Administration services specific to the health care and dependent care spending accounts. This is **not** a City account.
- 3.3.3 The Contractor must work with the City's Financial Services Department to implement procedures for banking arrangements, wire transfers, and bank reconciliations. Contractor must comply with the bank's process to eliminate check fraud.
- 3.3.4 The Contractor must comply with the State of Texas unclaimed property requirements.
- 3.3.5 The Contractor must provide 1099 functions in accordance with timelines and regulations established by the IRS.
- 3.3.6 The Contractor must provide monthly invoices for administrative services with:
- 3.3.6.1 Non-duplicated invoice number
  - 3.3.6.2 Vendor name and address exactly as it appears on the City's Vendor Registration System
  - 3.3.6.3 Itemized listing of services rendered
  - 3.3.6.4 Invoice Date

Invoices will be submitted to the contract contact person by the 10<sup>th</sup> of the month. Payment will be made to the Contractor after City staff have reviewed and approved the invoice in accordance with the payment terms stated in Section 0300 of the solicitation.

**3.4 Fiduciary Responsibility (this does not apply to Eligibility Administration)**

The Contractor will be the named fiduciary with respect to:

- 3.4.1 Performing premium payment processing.
- 3.4.2 Performing fair and impartial review of initial appeals.
- 3.4.3 Performing fair and impartial review of final appeals.

As such, the City delegates to the Contractor the discretionary authority to:

- 3.4.4 Construe and interpret the terms of the Plan.
- 3.4.5 Determine the validity of charges submitted under the Plan.
- 3.4.6 Make final, binding determinations concerning the availability of Plan benefits.

**3.5 Customer Service**

- 3.5.1 The Contractor's customer service must include, at a minimum: verification of eligibility and benefits, claims inquiries and problem resolution.
- 3.5.2 The Contractor must have a toll-free telephone number and a TTY line.
- 3.5.3 The Contractor's telephone system must have the capability to prompt-out to speak to a customer service person.
- 3.5.4 The Contractor must have customer service staff available to answer questions Monday through Friday from 7:30 a.m. to 5:00 p.m. Central Time.
- 3.5.5 The Contractor must assign designated staff for the City's account.
- 3.5.6 The Contractor must respond to telephone calls and electronic mail from City staff within one business day.

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3.6 Transition and Implementation Timelines

- 3.6.1 The Contractor must work with current vendor to ensure all required information is received to ensure no disruption in service.
- 3.6.2 Within 30 days of contract award, the Contractor must meet with the City to finalize administrative procedures, expectations and program implementation. Within 30 days of the meeting, the Contractor must provide the City with four copies of an administrative manual detailing the administrative procedures and expectations as agreed upon during the meeting.
- 3.6.3 The Contractor must provide training and education sessions for City benefits staff concerning all facets of program administration. The Contractor may be requested to attend quarterly employer-requested meetings and presentations.
- 3.6.4 The Contractor's systems must verify eligibility, benefits, and process claims, as of 12:01 a.m. on January 1, 2013.
- 3.6.5 At the end of the contract period, the Contractor will be required to cooperate with any successful Contractor(s) regarding claims and eligibility data transmission to ensure no disruption in services.

3.7 Communications

- 3.7.1 The Contractor must provide required written communication materials including, but not limited to: enrollment materials, plan documents, and identification cards. Materials and communications must be approved by City staff prior to distribution and formatted in easy to understand language.
- 3.7.2 All communication materials may be reprinted and used in the City's Employee and Retiree communications.
- 3.7.3 The Contractor must supply approximately 5,000 copies of general written communication materials during Open Enrollment and throughout the year (this does not apply to the Eligibility Administration). Materials are to be delivered to the City, by the second Friday of September for each plan year.
- 3.7.4 The City prefers that materials be printed on recycled paper in accordance with EPA guidelines (reference Section 0400, Paragraph 6).

3.8 Auditing

- 3.8.1 The Contractor must perform internal audits and provide a report of the results to the City on a quarterly basis.
- 3.8.2 The Contractor must perform audits of all system overrides and provide a report of the results to the City on a quarterly basis.
- 3.8.3 The Contractor must have a separate unit or individual, not involved in claims processing, perform fraud investigations when necessary.
- 3.8.4 The City may perform audits, at their discretion, with the Contractor absorbing its own cost for the audit and the City absorbing the cost of its audit team.
- 3.8.5 The Contractor must allow the City to audit or designate an independent third party to audit. The City's auditors may examine all related documentation including contracts, tapes/files and/or on-site records and transactions relating to the Services provided to the City.
- 3.8.6 The Contractor must reimburse the City for any amounts identified as paid incorrectly during the audit (claims in sample and all other similar claims). The Contractor must not seek reimbursement from Covered Persons for claims paid incorrectly during a previous plan year.

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- 3.8.7 Audits may continue up to three years after termination of the contract.
- 3.8.8 On an annual basis, Contractor(s) must have a duly licensed and certified external auditing firm perform a SSAE-16 report (formerly known as a SAS-70). This requirement applies only to the Self-Funded Dental Plan Claims Administration.

**3.9 Data Management**

- 3.9.1 The Contractor must accept both the Covered Persons' Social Security Number and identifier determined by the City.
- 3.9.2 The Contractor must be able to assign an identifier other than the Covered Persons' Social Security Number and employee identification number.
- 3.9.3 The Contractor must accept enrollment information electronically on a bi-weekly basis in the 834 file format required by HIPAA.
- 3.9.4 The Contractor must provide real time web-based eligibility access to City benefits staff and the City's benefit vendors to view eligibility, benefit elections and dependent information for all Covered Persons.
- 3.9.5 The Contractor must maintain a secure delivery system for the purposes of transmitting and receiving confidential electronic information with the City and its benefit vendors.
- 3.9.6 The Contractor must provide a secure method to transport paper documentation.
- 3.9.7 The Contractor must have a disaster recovery program in place to ensure the integrity of data in case of a disaster.

**3.10 Maintenance of Records**

The Contractor must agree to maintain all files for a minimum period of three years after termination of the contract. All files are the property of the City. Under no circumstances may the Contractor transfer or purge these records without authorization from the City. In the event of the transfer of purged records from Contractor to the City, the following conditions will apply:

- 3.10.1 Notice for the timely and orderly transfer of files must be given by the City in writing 30 days prior to the transfer.
- 3.10.2 The transfer must occur within the 30-day limit established by the City.
- 3.10.3 All information must be transferred electronically. The Contractor must provide a report of all files transferred.

**3.11 Federal, State and Local Laws**

- 3.11.1 The Contractor must administer the benefit plans in strict compliance with applicable federal, state and local laws.
- 3.11.2 Facilities and equipment must be accessible and in compliance with Americans with Disabilities Act (ADA) requirements.
- 3.11.3 If a federal, state, or local law requires distribution of information to Covered Persons, the Contractor must distribute such information directly to Covered Persons' home address.
- 3.11.4 The Contractor must monitor, on an ongoing basis, federal and state legislative activity and inform the City of all bills under consideration that could potentially affect the City's ability to provide benefits to Covered Persons.

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**4.0 ELIGIBILITY ADMINISTRATION**

Complete and submit the following information:

- Attachment 2 Business Organization Questionnaire
- Attachment 3 Customer Service Questionnaire
- Attachment 4 Account Team Information
- Attachment 5 System Capabilities Questionnaire
- Attachment 8 Performance Measures – Eligibility Administration

Administration Requirements

- 4.1 The City determines eligibility and the Contractor must agree to abide by the City's policies and procedures regarding eligibility and coverage effective dates for all Covered Persons. **Refer to Exhibit 1: 2012 Employee Benefits Guide and Exhibit 2: 2012 Benefits Enrollment Guide for Retirees and Surviving Spouses.**
- 4.2 The Contractor must maintain enrollment and eligibility data for all benefits by file transfer and data entry.
- 4.3 The Contractor must load the full eligibility file received from the current eligibility vendor for all Covered Persons during the vendor transition.
- 4.4 The Contractor must maintain eligibility records/history for all Covered Persons.
- 4.5 The Contractor must be able to accept the City's Benefits Enrollment forms.
  - 4.5.1 Benefits Enrollment forms must be maintained and be available upon City request.
  - 4.5.2 The Contractor must update the eligibility system within two business days of any information/data received.
- 4.6 Employee Eligibility

Background

Benefit deductions are processed bi-weekly through the City. A Payroll File is generated and transferred to the Eligibility Contractor within three business days after pay period ends. The City has a monthly average of 50 new hires, 50 terminations, and 150 benefits enrollment changes.

The Contractor's eligibility system must do the following with respect to Employee eligibility:

- 4.6.1 The Contractor must use benefit deduction codes as defined in **Exhibit 3: Employee Benefits Deduction Codes.**
- 4.6.2 Contractor must key and track all data included on the Benefits Enrollment Forms. Refer to **Exhibit 11: Employee Benefits Enrollment Form.**
- 4.6.3 The Contractor must key and track additional information not included on the Benefits Enrollment forms.
  - 4.6.3.1 Benefit Premiums and/or rate
  - 4.6.3.2 FLEXTRA Health Care annual election amount
  - 4.6.3.3 FLEXTRA Dependent Care annual election amount



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- 4.6.3.4 Additional demographic information (email address, cell and work phone number)
- 4.6.3.5 Employees with Qualified Medical Child Support Orders (QMCSO)
- 4.6.3.6 Separate address for dependent(s), if needed per QMCSO
- 4.6.3.7 Health Reimbursement Account (HRA) amounts
- 4.6.3.8 Childcare Assistance Program (CAP) weekly and annual amounts for each approved dependent
- 4.6.4 The Contractor must capture and track additional information received from the City's Payroll File.
  - 4.6.4.1 Employee's eight-digit employee identification number (EIN)
  - 4.6.4.2 Division/Location Code (separate number as noted on Benefits Enrollment Form)
  - 4.6.4.3 Benefit Category
  - 4.6.4.4 Annual Salary
  - 4.6.4.5 Basic Life and Supplemental Life Insurance volume
  - 4.6.4.5 Short Term and Long Term Disability volume
- 4.6.5 The Contractor must be able to calculate and track the employee's premium for Basic Life, Supplemental Life, Short Term Disability, and Long Term Disability based on receiving the following information:
  - 4.6.5.1 Rate
  - 4.6.5.2 Annual Salary
  - 4.6.5.3 Volume
- 4.6.6 The Contractor must key, track, and have reporting capabilities for all information received from the City's benefits staff, the City's Payroll File, and the Benefits Enrollment forms.
- 4.6.7 The Contractor must key and track benefits for Employees who have returned back to employment with the City and have benefits as both an Employee and a Retiree.
- 4.6.8 Perform double coverage validity checks for all Covered Persons based on the following eligibility rules:
  - An individual is not eligible to be covered as both an Employee and a Retiree, for the same benefit.
  - An individual is not eligible to be covered as both an Employee or Retiree and as a dependent of an Employee or Retiree, for the same benefit.
  - An individual is not eligible to be covered as a dependent of more than one Employee or Retiree for the same benefit.

**4.7 Retiree Eligibility**

**Background**

The City administers benefits for Retirees. Benefit deductions are processed monthly through the Pension Systems, in which Annuity Files are generated. The City has a monthly average of 50 new Retirees and 50 benefits enrollment changes.

The Contractor's system must do the following with respect to Retiree eligibility:

- 4.7.1 The Contractor must use benefit deduction codes as defined in **Exhibit 4: Retiree Benefits Deduction Codes**.
- 4.7.2 The Contractor must key and track all data included on the Benefits Enrollment forms. Refer to **Exhibit 12: Retiree Benefits Enrollment Form**.

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- 4.7.3 The Contractor must key and track additional information not included on the Benefits Enrollment forms:
  - 4.7.3.1 Retiree Personal Identification Number
  - 4.7.3.2 Benefit Premiums and/or rate
  - 4.7.3.3 Additional demographic information (email address, cell and work phone number)
- 4.7.4 The Contractor must key, track, and have reporting capabilities for all information received from the City's benefits staff, the Pension Systems Annuity Files, and the Benefits Enrollment forms.
- 4.7.5 The Contractor must key and track benefits for Retirees who have returned back to employment with the City and have benefits as both an Employee and a Retiree.
- 4.7.6 Perform double coverage validity checks for all Covered Persons based on the following eligibility rules:
  - An individual is not eligible to be covered as both an Employee and a Retiree, for the same benefit.
  - An individual is not eligible to be covered as both an Employee or Retiree and as a dependent of an Employee or Retiree, for the same benefit.
  - An individual is not eligible to be covered as a dependent of more than one Employee or Retiree for the same benefit.
- 4.8 Contractor's Employee and Retiree Eligibility Website
  - 4.8.1 The Contractor must have an eligibility website accessible to the City's benefits staff, Employees, and Retirees. The website must provide the following information "real time":
    - 4.8.1.1 Demographic/Address Information
    - 4.8.1.2 Benefits Elections
    - 4.8.1.3 Benefits Premiums
    - 4.8.1.4 Covered Dependents
  - 4.8.2 Website must have a secure log in.
    - 4.8.2.1 For Employees, the Contractor must use the City's employee identification number (EIN) and portion of Social Security Number for log in access.
    - 4.8.2.2 For Retirees, the Contractor must use a system generated personal identification number for log in access.
- 4.9 Payroll and Annuity Files
  - 4.9.1 Payroll File: The Contractor must comply with the City's Payroll File specifications to send and/or receive electronic transmission of payroll data on a weekly basis. Payroll File will include demographic data, employment status, benefit category, and benefit deductions data. The Contractor must accept Payroll File layout as defined in **Exhibit 5: Payroll File Layout**.
  - 4.9.2 Annuity Files: The Contractor must comply with each of the Pension Systems Annuity File specifications to send and/or receive electronic transmission of benefits enrollment data on a monthly or year-end basis. Annuity Files will include demographic data and benefit deductions data. The Contractor must accept Annuity File layout as defined in **Exhibit 6: Annuity File Layout**.

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4.10 834 HIPAA File

The Contractor must develop an electronic transmission of data interface that complies with the specifications agreed upon by the City and the City's benefit vendors to provide enrollment information and updated eligibility records electronically on a bi-weekly basis in the 834 file layout format required by HIPAA. The Contractor must send the 834 HIPAA File within five business days of receiving Payroll File. The Contractor will be responsible for the accuracy and timeliness of all information submitted to the City's benefit vendors.

4.11 Eligibility Age

- 4.11.1 The Contractor must notify Employee's/Retiree's when their dependents are reaching the eligibility age limit as defined by the City. Notification letters must be sent to Employee's/Retiree's mailing address 60 days prior to the dependent reaching the age limit. On average, the City has 50 dependents that receive the monthly notification.
- 4.11.2 The Contractor must notify Retiree when either the Retiree or their covered spouse/domestic partner – who are enrolled in medical coverage – are reaching the Medicare eligibility age as defined by the Social Security Administration. Notification letters must be sent to the Retiree's mailing address 90 days prior to the Retiree Covered Person reaching the eligibility age. On average, the City has 25 Retirees that receive the monthly notification.

4.12 Beneficiary Designation Information

The City may consider developing and implementing an electronic process of tracking beneficiary designations during the contract period. The Contractor must work with the City to develop an electronic transmission of data interface to share beneficiary designation information with the City.

4.13 Reconciliations

4.13.1 Employees

- 4.13.1.1 The Contractor will receive the City's employment termination benefits report (Term Report) and the Payroll File three business days after each pay period ends. The Contractor must update the eligibility system accordingly.
- 4.13.1.2 The Contractor must produce an Employee Discrepancy Report by comparing the Contractor's eligibility data against the Payroll File for each Employee benefit program.
- 4.13.1.3 The Contractor must send the Employee Discrepancy Report electronically to the City within three business days of receiving the Payroll File.

4.13.2 Retirees

- 4.13.2.1 The Contractor will receive the City's monthly Retiree benefits changes report by the 25<sup>th</sup> of each month and the Contractor must update the eligibility system accordingly.
- 4.13.2.2 The Contractor will receive each of the Pension System's monthly Annuity Files by the last business day of the month.
- 4.13.2.3 The Contractor must produce one combined Retiree Discrepancy Report by comparing the Contractor's eligibility data against the Annuity Files for each Retiree benefit program.

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- 4.13.2.4 The Contractor must send the Retiree Discrepancy Report electronically to the City within three business days of receiving the Annuity Files.
- 4.13.3 834 HIPAA File
  - 4.13.3.1 The Contractor will receive 834 HIPAA File transmission error reports within two business days of sending the bi-weekly 834 HIPAA File to the City's benefit vendors.
  - 4.13.3.2 The Contractor must reconcile and resolve errors within two business days.
- 4.14 Reporting
  - 4.14.1 All reports provided to the City must be available electronically.
  - 4.14.2 The Contractor must provide an Employee and Retiree monthly enrollment summary report by the 10<sup>th</sup> of each month to the City. The Contractor must produce enrollment summary report with similar formatting as defined in **Exhibit 7: Summary Enrollment Report**.
  - 4.14.3 The Contractor must provide a monthly report listing all Employee's/Retiree's dependents who will be reaching the age limit for eligibility as defined by the City. Report must be sent to the City 60 days prior to Employee's/Retiree's dependent who will be reaching the age limit.
  - 4.14.4 The Contractor must provide a monthly report listing all Retiree Covered Persons enrolled in medical coverage who will be reaching the Medicare eligibility age as defined by the Social Security Administration. Report must be sent to the City 90 days prior to the Retiree Covered Person reaching the eligibility age.
  - 4.14.5 The Contractor must provide a monthly discrepancy report listing double coverage for Covered Persons for any benefit.
  - 4.14.6 The Contractor must have reporting capabilities for all information provided on the Payroll File, Annuity Files, and all Benefits Enrollment forms.
  - 4.14.7 The Contractor must provide ad hoc reports as requested by the City.
- 4.15 Open Enrollment

Successful Contractor will assume annual Open Enrollment activities in January 2013.

  - 4.15.1 Benefits Coverage Information Statement (Statement):

This individualized Statement includes general Open Enrollment information. The City will determine a specific pay period to use for the Statement information (typically mid-September.)

    - 4.15.1.1 The Contractor must produce an annual Statement for each Employee and Retiree enrolled in at least one benefit.
    - 4.15.1.2 The Contractor must customize the Statement for the City to include at a minimum:
      - 4.15.1.2.1 Information about Open Enrollment.
      - 4.15.1.2.2 Web-based enrollment system user name and password.
      - 4.15.1.2.3 Name, mailing address, date of birth, and City assigned department/division/location coding.
      - 4.15.1.2.4 A list of all benefits available, current elections, Covered Persons with new premiums.



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- 4.15.1.2.5 Employee Statements must include calculated premiums for basic life, supplemental life, short term disability and long term disability coverage using annual salary and new rates provided by the City.
- 4.15.1.3 Employee Statements must be printed, stuffed and sorted by: department – divisions – locations and then in alphabetical order.
- 4.15.1.4 Retiree Statements must be sorted by zip code and then in alphabetical order.
- 4.15.1.5 Statements must be delivered within 10 calendar days for the City to distribute.
- 4.15.1.6 The Contractor must provide reports of all Statements, separated by Employees and Retirees. Reports will be provided to the City on CD's or flash drives for distribution to every department. The City currently has 60 departments.
- 4.15.2 Web-based Enrollment System
  - 4.15.2.1 The Contractor must customize the enrollment system for the City.
  - 4.15.2.2 City benefits staff must be able to test system prior to the beginning of Open Enrollment.
  - 4.15.2.3 Website must be fully operational the first day of Open Enrollment and be available 24 hours a day, 7 days a week during Open Enrollment.
  - 4.15.2.4 Website must have a secure log in.
    - 4.15.2.4.1 For Employees, the Contractor must use the City's employee identification number (EIN) and portion of Social Security Number for log in access.
    - 4.15.2.4.2 For Retirees, the Contractor must use a system generated personal identification number for log in access.
  - 4.15.2.5 Website must include personal information; list all benefits available, current benefits elected, Covered Persons for each benefit, and new premiums.
  - 4.15.2.6 Website must have capability to:
    - 4.15.2.6.1 Update Employee/Retiree personal information.
    - 4.15.2.6.2 Add or drop coverage for themselves or dependents for any benefit. System must validate eligibility for benefit elections (such as benefit category status and dependent age).
    - 4.15.2.6.3 Confirm and print confirmation of benefit elections.
    - 4.15.2.6.4 Include internet links to: presentation schedules, video presentations, coordinator list, benefit forms and documents, and other links determined by the City.
    - 4.15.2.6.5 Link to interactive calculators for life insurance coverage options, disability insurance, and Flexible Benefit spending accounts.
    - 4.15.2.6.6 Date/time stamp changes made by user.
  - 4.15.2.7 City benefits staff must have access to enrollment system to make benefit changes during Open Enrollment and after Open Enrollment ends to key late enrollment changes.
- 4.15.3 The Contractor must provide a toll-free telephone number for Open Enrollment benefit changes for English and Spanish speaking participants.
- 4.15.4 Confirmation of Coverage Statement (Confirmation Statement)
  - 4.15.4.1 The Contractor must produce a Confirmation Statement for Employees and Retiree participating in Open Enrollment. Confirmation Statement must:
    - 4.15.4.1.1 Include all information from the Coverage Information Statement.



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- 4.15.4.1.2 Include the date/time the change was made as well as the method (telephone or online).
  - 4.15.4.1.3 Be mailed within two business days of the Contractor's receipt of enrollment or change information.
  - 4.15.4.1.4 Be mailed to home address each time a benefits change is made during Open Enrollment.
- 4.15.4.2 Contractor must produce a passive Confirmation Statement for Employees and Retirees **not** participating in Open Enrollment.
- 4.15.4.5 The Contractor must provide reports on either a CD or a flash drive of all Confirmation Statements, separated by Employees and Retirees. Retiree report must be separated by retirement system, self-pay, and surviving spouses.
- 4.15.5 Open Enrollment files
  - 4.15.5.1 The Contractor must send the Open Enrollment 834 file to the City's benefit vendors within 10 calendar days after Open Enrollment ends. The Open Enrollment 834 file transmission error reports must be reconciled and resolved with the City's benefit vendors within two days.
  - 4.15.5.2 The Contractor must send the Employee Open Enrollment file to the City's Payroll and Benefits department within 10 calendar days after Open Enrollment ends. The Contractor must provide Open Enrollment data in the layout as defined in **Exhibit 8: Employee Open Enrollment File Layout**.
  - 4.15.5.3 Contractor must send the Retiree Open Enrollment file to the City and to the Pension Systems within 15 calendar days after Open Enrollment ends. Retiree file must be separated by retirement system, self-pay, and surviving spouses. The Contractor must provide Open Enrollment data in the layout as defined in **Exhibit 9: Retiree Open Enrollment File Layout**.
- 4.15.6 The Contractor must provide the following Open Enrollment reports:
  - 4.15.6.1 Daily address changes report separated by Employee and Retiree.
  - 4.15.6.2 Web-based enrollment system report listing benefit elections, date/time of change, and user making changes, separated by Employees and Retirees.
  - 4.15.6.3 Retiree report listing current year benefit elections compared to Open Enrollment benefit elections. Report must be separated by retirement system, self-pay, and surviving spouses.
  - 4.15.6.4 Qualified Medical Child Support Order report listing Employees with dependents that were dropped during Open Enrollment.
  - 4.15.6.5 Double coverage report listing Covered Persons with double coverage for any benefit.
  - 4.15.7.6 Age limit report listing all Covered Persons who enrolled during Open Enrollment and will be reaching the age limit for eligibility as defined by the City.
  - 4.15.6.7 Medicare eligibility report listing all Retiree Covered Persons who enrolled in medical coverage during Open Enrollment and will be reaching the Medicare eligibility age as defined by the Social Security Administration.
  - 4.15.6.8 Migration report.

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**5.0 COBRA, CONTINUATION OF COVERAGE FOR DOMESTIC PARTNERS, AND SELF-PAY ADMINISTRATION**

Complete and submit the following:

- Attachment 2 Business Organization Questionnaire
- Attachment 3 Customer Service Questionnaire
- Attachment 4 Account Team Information
- Attachment 5 System Capabilities Questionnaire
- Attachment 9 Performance Measures – COBRA, Continuation of Coverage for Domestic Partners, and Self-Pay Administration

*Oct 2012*

The following pertains to COBRA and Continuation of Coverage for Domestic Partners Administration services.

Background

COBRA Administration, herein referred to as “COBRA”, includes continuation of coverage for Covered Persons as mandated by Federal law. Continuation of Coverage for Domestic Partners Administration, herein referred to as “CCDP”, includes continuation of coverage for Domestic Partner Covered Persons and is administered similar to COBRA coverage. Refer to **Exhibit 1: 2012 Employee Benefits Guide** and **Exhibit 2: 2012 Benefits Enrollment Guide for Retirees and Surviving Spouses**.

As of January 2012, approximately 50 COBRA participants with 99 COBRA Covered Persons were enrolled in at least one COBRA benefit and no Domestic Partners were enrolled in CCDP coverage. The City has a monthly average of 50 Employee new hires and 50 Employee terminations. The current Contractor is paid per enrolled COBRA participant and per letter issued.

Administration Requirements

- 5.1 The Contractor must administer COBRA in accordance with Federal regulations.
- 5.2 The City determines eligibility and the Contractor must agree to abide by the City’s policies and procedures regarding eligibility and coverage effective dates for CCDP.
- 5.3 The Contractor must maintain eligibility and enrollment records/history for all Covered Persons.
- 5.4 The Contractor must send and/or receive enrollment information and updated eligibility records electronically on a weekly basis with the City and the City’s benefit vendors.
- 5.5 The Contractor must key, track, and have reporting capabilities for all information received from the City’s benefits staff and enrollment forms.
- 5.6 Communications
  - 5.6.1 The Contractor must send all letters as required by Federal regulations to qualified beneficiaries.
  - 5.6.2 Notifications

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- 5.6.2.1 The Contractor must send all required COBRA notices within 14 days of receiving notification from the City or the City's eligibility vendor.
- 5.6.2.2 The Contractor must send CCDP notices within 14 days of receiving notification from the City or the City's eligibility vendor.
- 5.6.3 The Contractor must maintain electronic logs and letters for initial notices and qualifying event letters in a format specified by the City.
- 5.6.4 The Contractor will be liable for any damages incurred if the Contractor fails to notify a qualified beneficiary within the timelines required by Federal regulations, provided the City has notified the Contractor as required.
- 5.7 Premiums
  - 5.7.1 The Contractor must deposit premium payments received on a weekly basis.
  - 5.7.2 The Contractor must generate deposit records in accordance with the City's guidelines.
  - 5.7.3 The Contractor must pay premium payments collected to appropriate City benefit vendors in accordance with City guidelines.
  - 5.7.4 The Contractor must reconcile payments against the City's benefit vendor invoices.
- 5.8 The Contractor must have a process for resolving complaints/problems and a formal appeals process.
- 5.9 The Contractor must provide Covered Persons payment coupon books, guides, and enrollment forms.
- 5.10 The Contractor must prepare and mail late payment and termination of benefits letters.
- 5.11 The Contractor must terminate benefits coverage due to nonpayment.
- 5.12 The Contractor must provide weekly reports detailing premium payments collected.
- 5.13 The Contractor must prepare and mail the annual Open Enrollment materials to Covered Persons. Timelines will be determined annually by the City.
- 5.14 The Contractor must provide electronic copies of completed enrollment forms as requested by the City.

**The following pertains to Self-Pay Administration services.**

Background

Self-Pay Administration, herein referred to as "Self-Pay", include benefit premium collections for Retirees whose monthly retirement annuity is not sufficient to pay for coverage selected. Self-Pay also includes benefit premium collections for Surviving Family Members of Employees who were killed in the line of duty, electing to continue coverage. Refer to **Exhibit 1: 2012 Employee Benefits Guide** and **Exhibit 2: 2012 Benefits Enrollment Guide for Retirees and Surviving Spouses**.

As of January 2012, approximately 50 Self-Pay Retirees were enrolled in at least one benefit and no Surviving Family Members were enrolled.

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Administration Requirements

- 5.15 The City determines eligibility and the Contractor must agree to abide by the City's policies and procedures regarding eligibility and coverage effective dates.
- 5.16 The Contractor must maintain eligibility and enrollment records/history for all Self-Pay Covered Persons.
- 5.17 The Contractor must send and/or receive enrollment information and updated eligibility records electronically on a weekly basis with the City and the City's benefit vendors.
- 5.18 The Contractor must use benefit deduction codes as defined in **Exhibit 4: Retiree Benefits Deduction Codes**.
- 5.19 The Contractor must be able to accept the City's Benefit Enrollment forms.
- 5.20 The Contractor must key, track, and have reporting capabilities for all information received from the City's benefits staff, the Pension Systems Annuity Files, and the Benefits Enrollment forms.
- 5.21 Premiums
  - 5.21.1 The Contractor must deposit payments received on a weekly basis.
  - 5.21.2 The Contractor must generate deposit records in accordance with the City's guidelines.
- 5.22 The Contractor must have a process for resolving complaints/problems and a formal appeals process.
- 5.23 The Contractor must provide Self-Pay Covered Persons payment coupon books.
- 5.24 The Contractor must prepare and mail late payment and termination of benefits letters.
- 5.25 The Contractor must terminate benefits coverage due to nonpayment.
- 5.26 The Contractor must provide weekly reports detailing premium payments collected from each enrolled Self-Pay Covered Person.

**6.0 SELF-FUNDED DENTAL PLAN CLAIMS ADMINISTRATION**

Complete and submit the following:

- Attachment 2 Business Organization Questionnaire
- Attachment 3 Customer Service Questionnaire
- Attachment 4 Account Team Information
- Attachment 5 System Capabilities Questionnaire
- Attachment 6 Dental Claims Administration Questionnaire
- Attachment 10 Performance Measures – Self-Funded Dental Plan Claims Administration

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Background

The Employee Dental Assistance Plan is a scheduled benefit plan with a Table of Allowances. This plan allows Employees to choose their own dentist as there is no network. ✓

As of January 2012, approximately 11,000 Employees and 14,700 dependents were enrolled in the Employee Dental Assistance Plan. ✓

Administration Requirements

- 6.1 The City determines eligibility and the Contractor must agree to abide by the City's policies and procedures regarding eligibility and coverage effective dates for all Covered Persons. Refer to **Exhibit 1: 2012 Employee Benefits Guide** and **Exhibit 10: 2012 Employee Dental Assistance Plan Document**.
- 6.2 The Contractor must maintain eligibility and claims records/history for all Covered Persons.
- 6.3 The Contractor must use dental deduction codes as defined in **Exhibit 3: Employee Benefits Deduction Codes**.
- 6.4 The Contractor must track and have reporting capabilities for all information received from the City's benefits staff and the Benefits Enrollment forms. At the request of the City, the Contractor must have capability to key Benefits Enrollment forms.
- 6.5 The Contractor's customer service line must be fully operational the first day of open enrollment in October 2012.
- 6.6 Employee Dental Assistance Plan identification cards (Cards):
  - 6.6.1 The Contractor must mail Cards no later than ten business days from notice of eligibility.
  - 6.6.2 Annual Cards must be received by Covered Persons on or before December 31<sup>st</sup> of each plan year.
  - 6.6.3 The Contractor must mail Cards directly to the Covered Persons' home address.
- 6.7 Claims Administration
  - 6.7.1 The Contractor's claims adjudication system will meet or exceed industry standards.
  - 6.7.2 The Contractor's system must receive and adjudicate dental claims electronically in accordance with the Employee Dental Assistance Plan Document.
  - 6.7.3 The Contractor must issue an Explanation of Benefits (EOB), either electronically or on paper.
  - 6.7.4 The Contractor must provide recovery services for overpayments and subrogation. The Contractor agrees to reimburse City for overpayments when identified, not when collected.
  - 6.7.5 The Contractor must provide dental claims run-out administration for claims incurred prior to the termination date of the contract. All fees must be quoted on a mature basis.
  - 6.7.6 The Contractor must provide internal financial safeguards to prevent employee fraud.
  - 6.7.7 The Contractor must administer Coordination of Benefits integrating with other coverage as determined by the City.



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- 6.7.8 The Contractor must have a process for resolving complaints/problems and a formal appeals process.
- 6.7.9 The Contractor must reimburse the City for any amounts identified as paid incorrectly or other errors brought to the City's attention. The Contractor must not seek reimbursement from Covered Persons for claims paid incorrectly during a previous plan year.
- 6.8 Table of Allowances
  - 6.8.1 The Contractor's system must allow the Table of Allowances to be customizable.
  - 6.8.2 The Contractor must provide the City with new and/or updated ADA codes with applicable allowances.
  - 6.8.3 The City determines codes and rates included in the Table of Allowances for each plan year.
- 6.9 The Contractor must provide Certificates of Creditable Coverage (as required by the Health Insurance Portability and Accountability Act of 1994) for all Covered Persons whose coverage under the City sponsored dental plan ends. The Certificates must be in a format specified by the City. Contractor must keep electronic files of all HIPAA Certificates of Creditable Coverage issued and make available upon request by the City.
- 6.10 Reporting
  - 6.10.1 The Contractor must provide regular monthly, quarterly, and annual utilization reports online and must have the capability to generate ad hoc reports. Reports must break out utilization by Employees, COBRA participants, CCDP participants, dependents and total utilization by type of service. Reports are due on the 10<sup>th</sup> day of the month following the last day of the time period for which the data is reported. The Contractor must also have the capability to capture, analyze and report the data by each City department.
  - 6.10.2 Monthly reports must include a claims lag.
  - 6.10.3 The Contractor must provide, in a format determined by the City, data feeds on a routine basis to third parties, such as the FLEXTRA Health Care spending account Contractor, as requested by the City.

**7.0 FLEXIBLE BENEFITS CLAIMS ADMINISTRATION**

Complete and submit the following:

- Attachment 2 Business Organization Questionnaire
- Attachment 3 Customer Service Questionnaire
- Attachment 4 Account Team Information
- Attachment 5 System Capabilities Questionnaire
- Attachment 7 Flexible Benefits Administration Questionnaire
- Attachment 11 Performance Measures – Flexible Benefits Claims Administration

*Open email*

The Flexible Benefits Claims Administration includes the following:

- FLEXTRA Health Care (FHC) spending account
- FLEXTRA Dependent Care (FDC) spending account
- Childcare Assistance Program (CAP)

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The City may consider implementing a Health Reimbursement Account or a Health Savings Account program during the contract period. The Contractor will work with the City to develop the program and must be able to provide administration services.

**The following pertains to FHC and FDC programs.**

FHC and FDC Background

These programs are available to Employees in accordance with IRS Section 125 regulations. The Plan allows for a 2 ½ month carryover (March 15<sup>th</sup>) for participants to incur eligible expenses for the previous plan year. Prior year claims must be submitted by May 31<sup>st</sup>.

FHC maximum election for 2013 plan year will be \$104 per pay period and \$2,496 per year due to health care reform. FDC maximum election will continue to be \$208 per pay period and \$4,992 per year.

As of January 2012, approximately 3,600 Employees were enrolled in the FHC program and 300 Employees were enrolled in the FDC program.

FHC and FDC Administration Requirements

- 7.1 The City determines eligibility and the Contractor must agree to abide by the City's policies and procedures regarding eligibility and coverage effective dates for all Covered Persons. Refer to **Exhibit 1: 2012 Employee Benefits Guide**.
- 7.2 The Contractor must maintain eligibility and claims records/history for all Covered Persons.
- 7.3 The Contractor must be able to accept the City's Benefits Enrollment forms.
- 7.4 The Contractor must use FHC and FDC deduction codes as defined on **Exhibit 3: Employee Benefits Deduction Codes**.
- 7.5 The Contractor must comply with the City's Payroll File specifications and receive electronic transmission of the Payroll File on a bi-weekly basis. The Contractor must accept the Payroll File layout as defined in **Exhibit 5: Payroll File Layout**.
- 7.6 The Contractor must track and have reporting capabilities for all information received from the City's benefits staff, the Payroll File, and the Benefits Enrollment forms. At the request of the City, the Contractor must have capability to key Benefits Enrollment forms.
- 7.7 The Contractor's system must:
  - 7.7.1 Track FHC and FDC amounts per pay period and annual elections.
  - 7.7.2 Process claims for FHC and FDC accounts in accordance with the City's plan documents and federal law and regulations.
  - 7.7.3 Process claims and payments weekly.
  - 7.7.4 Process manual FHC and FDC claims incurred in the carryover periods as allowed by IRS regulations.

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- 7.7.5 Provide printed account balance statements to Employees at a minimum of four times per year as designated by the City. Statements must be mailed to Employee's home address.
- 7.7.6 Provide FHC and FDC account claims run-out services for up to six months after the termination of the contract for claims incurred for the prior year account balance. All fees must be quoted on a mature basis.
- 7.8 Provide customer service to Employees who have questions about claims, eligible expenses, account balances, and other related services.
- 7.9 Customer service line must be fully operational the first day of open enrollment in October 2012.
- 7.10 Have a process for resolving complaints/problems and a formal appeals process.
- 7.11 Generate deposit records and reconcile the accounts in accordance with the City's guidelines.
- 7.12 The Contractor must provide Employees enrolled in the FHC program a debit/credit card (Card).
  - 7.12.1 The Contractor must mail the Card(s) no later than ten business days from notice of eligibility.
  - 7.12.2 Employees who enroll for the first time or add dependents to the FHC programs during Open Enrollment must receive the Card(s) on or before December 31<sup>st</sup> of each year.
  - 7.12.3 Employees with covered dependents will receive two Cards, with the ability to have a dependent's name on one of the Card(s).
  - 7.12.4 The Contractor must mail the Card(s) directly to the Covered Persons' home address.
- 7.13 The Contractor must provide a website for Covered Persons to view their FHC claims status, account balance, etc. that includes both auto-adjudicated and manual claims.
- 7.14 Reconciliations
  - 7.14.1 The Contractor will receive the City's employment termination benefits report (Term Report) and the Payroll File three business days after each pay period ends. The Contractor must update the eligibility system accordingly.
  - 7.14.2 The Contractor must produce an Employee Discrepancy Report by comparing the Contractor's eligibility data against the Payroll File for both FHC and FDC elections. The Contractor must send report to the City within three business days of receiving the Payroll File.
- 7.15 Reporting
  - 7.15.1 All reports provided to the City must be available electronically.
  - 7.15.2 The Contractor must provide regular monthly, quarterly, and annual utilization reports online. Reports are due on the 10<sup>th</sup> day of the month following the last day of the time period for which the data reported.
  - 7.15.3 The Contractor will provide ad hoc reports as requested by the City.

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**The following pertains to the Childcare Assistance Program (CAP).**

**CAP Background**

Employees that meet eligibility requirements, based on family income and family size, qualify for childcare financial assistance. Employees submit CAP claims to the Contractor. Claims are processed for payments to state regulated childcare providers up to the allowed weekly amount per child, not to exceed the maximum annual amount as determined by the City.

The City recertifies all participating Employees on an annual basis or as needed throughout the plan year. The Contractor will process childcare payments for Employees that are included on the approved eligibility list provided by the City.

Employees who are approved for CAP can also participate in the FDC program. However, the combined annual amounts for the two programs cannot exceed the annual FDC amount allowed by IRS regulations.

As of January 2012, approximately 100 Employees with 175 dependents were approved for the CAP program.

**Administration Requirements**

- 7.16 Maintain eligibility and claims records/history for each program participant included on the approved eligibility list provided by the City.
- 7.17 The Contractor must be able to accept the City's Benefits Enrollment forms.
- 7.18 The Contractor must key, track, and have reporting capabilities for all information received from the City's benefits staff and Benefits Enrollment forms.
- 7.19 The Contractor's system must:
  - 7.19.1 Process claims for CAP in accordance with the City's plan.
  - 7.19.2 Process claims and payments weekly.
  - 7.19.3 Provide payments to childcare providers, unless otherwise authorized by the City, up to the amount allowed per child.
  - 7.19.4 Payments will be processed out of the City's zero balanced account as discussed in Paragraph 3.3 of Section 0500 Scope of Work document.
- 7.20 Reporting
  - 7.20.1 Following Open Enrollment, the Contractor must provide the City a report comparing the Employee's FDC annual election and the annual CAP approved amount to ensure the combined annual total does not exceed the FDC maximum allowed by IRS regulations.
  - 7.20.2 The Contractor must provide monthly and annual reports to the City reflecting Employee account balances and claim information (i.e. dependent name, date of service, provider name, etc.)

**8.0 PROCUREMENT CANCELLATION**

The City has the right to cancel this procurement at anytime.

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**Section 0600 Proposal Preparation Instructions and Evaluation Factors**

**1. Proposal Format and General Information**

Submit one original, seven paper copies and one electronic version of the Proposal. The original Proposal must contain original signatures. Proposals must be typed on standard paper and have consecutively numbered pages. Proposal must be organized in the following format and information sequence. Use tabs to divide each part of the Proposal and provide a Table of Contents. Proposers should provide all details in the Proposal as required in Section 0500 Scope of Work and any additional information deemed necessary to evaluate the Proposal.

**Tab 1 – Executive Summary**

Provide an Executive Summary of three pages or less, which gives in brief concise terms, a summation of the Proposal. The Executive Summary should provide:

1. Organization chart of the team servicing this contract, including contact information.
2. Summary of your company's history, experience, years in business.
3. Your organization's ability to exceed the performance of other vendors in relation to:
  - Cost
  - Claims administration
  - Customer service
4. The Executive Summary should also address your organization's commitment to serving the City's needs relative to the needs of your other clients.
5. Provide the name, mailing address, email address, and telephone number of the officer or other representative in your organization authorized to negotiate and execute binding contract terms. The City prefers this representative to be the CEO, COO, Executive Officer, Underwriter or Legal Counsel.

**Tab 2 – City of Austin Purchasing Documents**

Complete and submit the following documents and place in Tab 2 of your proposal response.

- Offer and Award Sheet
- Section 0630 Commercial and Legal Contract Terms. For any exceptions, please state alternative language along with the business need for the alternative language.
- Section 0640 HIPAA Business Associate Agreement.
- Section 0700 References. Provide a list of at least five references (with at least two from the public sector) for each administration service you are proposing. Include a contact name, address, email, and telephone number for each. Provide references for both current and former accounts.
- Section 0800 Equal Employment/Fair Housing Office Non-Discrimination Certification
- Section 0805 Non-Suspension or Debarment Certification
- Section 0810 Non-Collusion, Non-Conflict of Interest, and Anti-Lobbying Affidavit
- Section 0815 Living Wages Contractor Certification
- Section 0820 Living Wages Employee Certification
- Section 0900 MBE/WBE Procurement Program Package or No Goals Utilization Plan



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**Tab 3 – General Requirements for All Requested Services**

Place the following in Tab 3 of your proposal response.

- Part A: Complete and submit Attachment 1 Cost Sheet.
- Part B: Restate and confirm acceptance of each requirement in Paragraphs 3.1 through 3.11 of Section 0500.
- Part C: Include copies of your audited financial statements and annual reports for the last two years.

**Tab 4 – Eligibility Administration**

Place the following in Tab 4 of your proposal response. If **not proposing** on these services, state “Not Proposing”.

- Part A: Restate the requirements in Paragraph 4.0 of Section 0500 and confirm acceptance of each requirement.
- Part B: Complete and submit the following attachments:
- Attachment 2 Business Organization Questionnaire
  - Attachment 3 Customer Service Questionnaire
  - Attachment 4 Account Team Information
  - Attachment 5 System Capabilities Questionnaire
  - Attachment 8 Performance Measures – Eligibility Administration

**Tab 5 – COBRA, Continuation of Coverage for Domestic Partners, and Self-Pay Administration**

Place the following in Tab 5 of your proposal response. If **not proposing** on these services, state “Not Proposing”.

- Part A: Restate the requirements in Paragraph 5.0 of Section 0500 and confirm acceptance of each requirement.
- Part B: Complete and submit the following attachments:
- Attachment 2 Business Organization Questionnaire
  - Attachment 3 Customer Service Questionnaire
  - Attachment 4 Account Team Information
  - Attachment 5 System Capabilities Questionnaire
  - Attachment 9 Performance Measures – COBRA, Continuation of Coverage for Domestic Partners, and Self-Pay Administration

**Tab 6 – Self-Funded Dental Plan Claims Administration**

Place the following in Tab 6 of your proposal response. If **not proposing** on these services, state “Not Proposing”.

- Part A: Restate the requirements in Paragraph 6.0 of Section 0500 and confirm acceptance of each requirement.
- Part B: Complete and submit the following attachments:

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- Attachment 2 Business Organization Questionnaire
- Attachment 3 Customer Service Questionnaire
- Attachment 4 Account Team Information
- Attachment 5 System Capabilities Questionnaire
- Attachment 6 Dental Claims Administration Questionnaire
- Attachment 10 Performance Measures – Self-Funded Dental Plan Claims Administration

Part C: Provide sample management reports.

Part D: Provide a copy of your most recent SSAE-16 report.

**Tab 7 – Flexible Benefits Claims Administration**

Place the following in Tab 7 of your proposal response. If not proposing on these services, state “Not Proposing”.

Part A: Restate the requirements in Paragraph 7.0 of Section 0500 and confirm acceptance of each requirement.

Part B: Complete and submit the following attachments:

- Attachment 2 Business Organization Questionnaire
- Attachment 3 Customer Service Questionnaire
- Attachment 4 Account Team Information
- Attachment 5 System Capabilities Questionnaire
- Attachment 7 Flexible Benefits Claims Administration Questionnaire
- Attachment 11 Performance Measures – Flexible Benefits Claims Administration

**Tab 8 – Exceptions to the Proposal**

For any exceptions taken, complete and submit Attachment 12 Exceptions to Proposal and place in Tab 8 of your proposal response. The Proposer must clearly indicate each exception taken and indicate the alternative language along with the business need for the alternative language. The failure to identify exceptions or proposed changes with a full explanation will constitute acceptance by the Proposer of the Solicitation as proposed by the City.

**2. Proposal Acceptance Period**

All Proposals are valid for a period of one hundred and eighty (180) calendar days subsequent to the RFP closing date unless a longer acceptance period is offered in the Proposal.

**3. Proprietary Information**

All material submitted to the City becomes public property and is subject to the Texas Open Records Act upon receipt. If a Proposer does not desire proprietary information in the Proposal to be disclosed, each page must be identified and marked proprietary at time of submittal. The City will, to the extent allowed by law, endeavor to protect such information from disclosure. The final decision as to what information must be disclosed, however, lies with the Texas Attorney General. Failure to identify proprietary information will result in all unmarked sections being deemed non-proprietary and available upon public request.

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**4. Proposal Preparation Cost:**

All costs directly or indirectly related to preparation of a response to the RFP or any oral presentation required to supplement and/or clarify a Proposal which may be required by the City shall be the sole responsibility of the Proposer.

**5. Evaluation Factors and Award:**

**A. Competitive Selection:**

This procurement will comply with applicable City of Austin Policy. The City, on a rational basis, will select the successful Proposer. Evaluation factors outlined in Paragraph (B) below shall be applied to all eligible, responsive Proposers in comparing Proposals and selecting the successful Proposer. Award of a contract may be made without discussion with Proposers after Proposals are received. Proposals should, therefore, be submitted on the most favorable terms.

The City will identify and will apply criteria within this Request for Proposal and the proposals for final selection and award of contract. The evaluation process will allow for an exclusive award to one responsive, qualifying Proposer.

**B. Evaluation Factors:**

All proposals will be evaluated based on the following criteria and rankings. Maximum 100 points.

1. Business Organization: Includes company experience, personnel qualifications and prior experience. **(20 points)**
2. Scope of Work: Includes responsiveness to RFP requirements and all contract terms and provisions including the Section 0630 Commercial and Legal Contract Terms, and willingness to adhere to proposal format required in the RFP. **(50 points)**
3. Cost/Rates Proposed: Proposer with the lowest cost/rates proposed to the City is given the maximum points; percentage ratio formula is applied to remaining Proposers. Costs proposed for the Health Reimbursement Account/Health Savings Account Administration will not be included in the evaluation of the overall Costs/Rates proposed. **(30 points)**

Interviews, Optional. Interviews may be conducted at the discretion of the City. Maximum 25 additional points.

**6. Non-Collusion, Non-Conflict of Interest, and Anti-Lobbying**

The term "Offeror", as used herein, includes the individual or business entity submitting the Offer and for the purpose of this Affidavit includes the directors, officers, partners, managers, members, principals, owners, agents, representatives, employees, other parties in interest of the Offeror, and anyone or any entity acting for or on behalf of the Offeror, including a subcontractor in connection with this Offer.

1. **Anti-Collusion Statement.** The Offeree has not in any way directly or indirectly:
  - a. colluded, conspired, or agreed with any other person, firm, corporation, Offeror or potential Offeror to the amount of this Offer or the terms or conditions of this Offer.
  - b. paid or agreed to pay any other person, firm, corporation Offeror or potential Offeror any money

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**BENEFIT PLANS ADMINISTRATION**  
**Section 0600 Proposal Preparation Instructions and Evaluation Factors**

or anything of value in return for assistance in procuring or attempting to procure a contract or in return for establishing the prices in the attached Offer or the Offer of any other Offeror.

2. **Preparation of Solicitation and Contract Documents.** The Offeror has not received any compensation or promise of compensation for participating in the preparation or development of the underlying Solicitation or Contract documents. In addition, the Offeror has not otherwise participated in the preparation or development of the underlying Solicitation or Contract documents, except to the extent of any comments or questions and responses in the solicitation process, which are available to all Offerors, so as to have an unfair advantage over other Offerors, provided that the Offeror may have provided relevant product or process information to a consultant in the normal course of its business.
3. **Participation in Decision Making Process.** The Offeror has not participated in the evaluation of Offers or other decision making process for this Solicitation, and, if Offeror is awarded a Contract hereunder, no individual, agent, representative, consultant, subcontractor, or subconsultant associated with Offeror, who may have been involved in the evaluation or other decision making process for this Solicitation, will have any direct or indirect financial interest in the Contract, provided that the Offeror may have provided relevant product or process information to a consultant in the normal course of its business.
4. **Present Knowledge.** Offeror is not presently aware of any potential or actual conflicts of interest regarding this Solicitation, which either enabled Offeror to obtain an advantage over other Offerors or would prevent Offeror from advancing the best interests of the City in the course of the performance of the Contract.
5. **City Code.** As provided in Sections 2-7-61 through 2-7-65 of the City Code, no individual with a substantial interest in Offeror is a City official or employee or is related to any City official or employee within the first or second degree of consanguinity or affinity.
6. **Chapter 176 Conflict of Interest Disclosure.** In accordance with Chapter 176 of the Texas Local Government Code, the Offeror:
  - a. does not have an employment or other business relationship with any local government officer of the City or a family member of that officer that results in the officer or family member receiving taxable income;
  - b. has not given a local government officer of the City one or more gifts, other than gifts of food, lodging, transportation, or entertainment accepted as a guest, that have an aggregate value of more than \$250 in the twelve month period preceding the date the officer becomes aware of the execution of the Contract or that OWNER is considering doing business with the Offeror.
  - c. as required by Chapter 176 of the Texas Local Government Code, Offeror must file a Conflict of Interest Questionnaire with the Office of the City Clerk no later than 5:00 P.M. on the seventh (7<sup>th</sup>) business day after the commencement of contract discussions or negotiations with the City or the submission of an Offer, or other writing related to a potential Contract with the City. The questionnaire is available on line at the following website for the City Clerk:  
<http://www.ci.austin.tx.us/cityclerk/coi.htm>

There are statutory penalties for failure to comply with Chapter 176.

*REQUEST FOR PROPOSAL NO. JSD0124*  
**CITY OF AUSTIN PURCHASING OFFICE**  
**BENEFIT PLANS ADMINISTRATION**  
**Section 0600 Proposal Preparation Instructions and Evaluation Factors**

If the Offeror cannot affirmatively swear and subscribe to the forgoing statements, the Offeror shall provide a detailed written explanation in the space provided below or, as necessary, on separate pages to be annexed hereto.

7. **Anti-Lobbying Ordinance.** As set forth in the Solicitation Instructions, Section 0200, paragraph 7N, between the date that the Solicitation was issued and the date of full execution of the Contract, Offeror has not made and will not make a representation to a member of the City Council, a member of the City Board, or any other official, employee or agent of the City, other than the Authorized Contact Person for the Solicitation, except as permitted by the Ordinance.





TO: Veronica Lara, Director  
Department of Small and Minority Business Resources

FROM: Jeff Dilbert, Corporate Purchasing Manager, Purchasing Office

DATE: 4/16/2012

SUBJECT: Approval to use Zero Goals for Solicitation No. JSD0124  
Project Name: Benefits Plan Administration  
Commodity Code(s): 95348, 95861, 96247, 95300  
Estimated Value: \$2,500,000

The Purchasing Office has determined that the following Goals are appropriate for this non-professional services purchase:

X  No Goals (Goal of 0%)

This determination is based on the following reasons:

This solicitation will be bid by and awarded to a prime contractor. No subcontracting opportunities have been identified.

Per paragraph 8.2.1 of the Rules Governing the Minority and Women Owned Business Enterprise Procurement Program, please approve the use of the above goals by completing and returning the below endorsement. If you have questions, please call me at 974-2995.



Approval is hereby granted to use the above Goals.

Approval is hereby denied. Recommend the use of the following goals based on the below reasons:

a. Goals:   % MBE   % WBE

b. Subgoals   % African American   % Hispanic

% Native/Asian American   % WBE

This determination is based on the following reasons: no subcontracting opportunities were identified

Raymond M. Young, Jr. Date: April 19, 2012  
Veronica Lara, Director